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EGYPT'S FAILURE TO TRANSITION TO DEMOCRACY UNDER THE MUSLIM BROTHERHOOD

by

Moez Guenaien

September 2014

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ABSTRACT

A year after a democratic presidential election, Egyptian protestors returned to Tahrir Square to demand the resignation of President Mohammed Morsi because he refused to agree to an early election. Shortly after, President Morsi was toppled through a popularly-supported military coup, and his Muslim Brotherhood (MB) organization was thoroughly repressed. Today, the democratic process ushered in by the 25 January Revolution in 2011 has come to an end. Egypt seems to have returned to the previous authoritarian order that existed for over 60 years. Why did democracy fail to take hold in Egypt under the MB regime and President Mohammed Morsi? This thesis explores four hypotheses: Egypt's non-readiness for democracy because of lack of socio-economic conditions; the failure of Egypt's political actors to form a pact; the hostility of the Gulf States toward democracy and limited support from the international community; and the dissatisfaction of the deep state and economic elite with the MB in power. While all of these issues contributed to democracy failure in Egypt, the most critical component was that of the contribution of the political actors. If the political actors had formed a pact with the understanding that democracy would benefit all parties, they could have overcome the former regime and succeeded at aligning international support.

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LIST OF ACRONYMS AND ABBREVIATIONS

AOI	Arab Organization for Industrialization
CSO	Civil Society Organization
EC	European Community
EU	European Union
FDI	Foreign Direct Investment
FJP	Freedom and Justice Party
GCC	Gulf Cooperation Council
IMF	International Monetary Fund
MB	Muslim Brotherhood
MOSA	Ministry of Social Affairs
NDP	National Democratic Party
NPUP	National Progressive Unionist Party
SCAF	Security Council of Armed Forces
SCC	Supreme Constitutional Court

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I.   INTRODUCTION

A.   MAJOR RESEARCH QUESTION

When a third pro-democratic wave swept southern Europe, Latin America, Asia, Eastern Europe, and Africa but did not affect the Middle East, political scientists attributed the shortfall to the robustness of the authoritarian regimes in the region that had relied on one party's seeking to consolidate power and oppress any opponents in the political realm. Once the Arab Spring started, many observers expressed hope and thought that the beginning of a fourth democratic wave that would lead to the fall of authoritarian regimes in the Middle East; but, it was only a false start, as other observers had suspected. That false start is now evident following the events that occurred in the region, including the on-going civil war in Syria and political turmoil in Egypt, Libya, and Tunisia.

In Egypt, the movement toward democracy started strong and united under one banner to overthrow President Mubarak. It took only 18 days for Mubarak to step down. One year following a democratic presidential election, Egyptian protestors returned to Tahrir Square demanding the resignation of democratically elected President Mohammed Morsi after he refused to sign the Tamarod petition or conduct an early election.[1] During his one-year presidency, President Morsi and his Muslim Brotherhood (MB) regime were heavily criticized. Many Egyptians called him a dictator who overreached for power and ruled by decree. Socioeconomic conditions in Egypt showed no signs of improvement and the MB regime excluded minorities from political participation. Furthermore, the Muslim Brotherhood's overall ideology was not compatible with democracy. These are only a few of the many reasons that have been addressed by scholars to answer the question of why, after over 60 years of authoritarian regimes, democracy failed to take hold in Egypt under the Muslim Brotherhood regime and President Mohammed Morsi, the first democratically elected president of Egypt?

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[1] David Butler et al., "Egypt: A Political Road Map," 18 October 2013, 11, http://www.chathamhouse.org/events/view/194701.

To come up with an objective answer to the question, this thesis will provides a thorough analysis to pinpoint the critical and most influential factors that hindered Egypt's democratic transition. Specifically, it assesses the importance of each critical factor in relation to other causal factors.

B.   IMPORTANCE

This thesis is important on two fronts. Theoretically, the study of Egypt's democratic transition failure will be used as a test case for future democratic transitions in the Middle East. Strategically, United States'-Egyptian and Israeli-Egyptian relationships will be affected by this democratic shortfall. Additionally, the region can expect an escalation of terrorism.

Democracy is new to the Middle East. If the issues that caused its failure under the MB can be identified, then valuable lessons can be learned that could help predict future transitions to democracy. There is no consensus among observers on the critical factors that led to the failure of Egypt's democratic transition. Observers are divided between calling it a second revolution and/or a coup. With the exception of Turkey, which is geographically and culturally different from the rest of the Middle Eastern countries, and Lebanon, which does not have the same characteristics of authoritarian institutions as the rest of the Arab countries,[2] there is no practical scenario to emulate and aid in understanding how a transition could be achieved in the Middle East, and Islamists could be integrated in the democratic process.

Moreover, if it is found that Egypt is not ripe for democracy, then no matter which group is leading a democratic government, it would experience the same destiny as the MB. If this is the case, then it may be suggested that an authoritarian regime is the ideal regime for the Middle East, and that the European Union and the U.S. should not push authoritarian leaders to democratize. As a result of the Egyptian democratic transition's short-fall and the ousting of the MB, this bitter experience may only lead to more terrorism as extremists believe that there is no possible compromise with seculars.

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[2] Seeberg Peter, "The EU as a Realist Actor in Normative Clothes: EU Democracy Promotion in Lebanon and the European Neighborhood Policy," *Democratization* 16, no. 1 (2009): 81–99, http://dx.doi.org/10.1080/13510340802575858.

Since Morsi was deposed, security in the Sinai has deteriorated—52 Bedouin civilians and over 100 Egyptian security police have been killed.[3] If the real cause of the democratic transition failure was not because of Egypt's lack of readiness for democracy, but other factors, then this experience could teach and recommend suggestions to avoid similar mistakes.

Strategically, certainly the ousting of the democratically elected Morsi changed the U.S. policy toward Egypt, leading to partially suspending military aid. Will the U.S. change this policy if the Obama administration is convinced that the military acted on behalf of the Egyptian people's will? The decision to cut military aid could be seen by Egyptians and many other Arab country leaders as rushed and irrational. This decision could lead Egypt to ally with Russia and change its relationship with Israel. These issues demonstrate how Egypt holds a critical role in Middle Eastern stability, and a rational approach to the failure of the democratic transition should be examined. Until discovering the real causes, the U.S. should opt to support the Egyptian government's undemocratic behavior and resume a normal relationship with its military in order to augment the capability of the latter to fight the jihadists in Sinai and the Suez Canal and restore peace in the region.

Knowing the real causes of the toppling of the MB regime and the shortfall of the transition should help determine the critical milestones for a successful transition to democracy—not only in Egypt, but throughout the Middle East—as well as help provide suggestions to reshape U.S. policy in the region.

C.   LITERATURE REVIEW

Many theories have been developed to explain transitions to democracy throughout three waves of democratization. While the first and second democratic waves of the nineteenth and early twentieth centuries were triggered by economic development, the general trend for the third democratic wave, which started around the 1980s, was driven by consensus and a commitment to democracy by elites. In this thesis, the author

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[3] Nicholas A. Heras, "Can the Sinai's Bedouin Become a Counterterrorist Force?" *Terrorism Monitor* XI, no. 20 (2013): 6.

is considering modernization, political actors, the international environment, and institutional approaches—and will apply them to the case of Egypt's transition in order to see how much influence they bear in explaining Egypt's failure to transition to democracy. Also, the author will include scholarly analysis about President Morsi's incompetent government, since many anti-Morsi observers claimed it as the main cause of the democratic failure.

By 2007, under President Mubarak's rule, the Egyptian economy observed an unprecedented economic boom, after which many independent analysts thought that sustained growth and neo-liberal reform were finally established.[4] Huntington makes the argument that while modernity can lead to stability, it can also be a cause of instability, due to urbanization, rising expectations due to literacy, and the spread of media.[5] Once the Egyptian economy started experiencing a downturn during this past decade, inflation, high unemployment, and class disparity became obvious. The gap between the poor and the rich began to widen, and the middle class that represents the majority of the populace began to fall into the poor class. Forty-five million Egyptians represent the middle-lower class and earn between $2.00 and $4.00 a day.[6] Moreover, for political reasons, many Gulf countries cut financial support to Egypt when the MB came to power. Without public support, this disparate socioeconomic condition inherited from the previous regime became a challenge for Morsi and his government as they tried to lead Egypt to democracy.

A lack of economic development would challenge and lengthen a transition to democracy but is not necessarily the reason for its failure. As Prezowski argues, "Democracy is exogenous. Modernization allows democracy to survive but does not produce democracy."[7] A comparative analysis with South American countries during the

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[4] Robert Springborg,"Egypt Too Big to Succeed?" in *Handbook of Emerging Economies,* ed. Robert Looney (New York, NY: Routledge, 2014), 397–414.

[5] Samuel P. Huntington, *Political Order in Changing Societies* (New Haven, CT: Yale University Press, 2006), 33.

[6] Paul Rivlin,"Egyptian's Economy after the Election," *Middle East Economy* 1, no. 8 (2011, December): 3.

[7] Adam Przeworski, and Fernando Limongi, "Modernization: Theories and Facts," *World Politics* 49 (1997, January): 159.

third wave affirms this argument. With the exception of Brazil, which witnessed an economic boom, the general trend to democracy was related to economic liberalization and free trade that deepened the budget deficit. However, social unrest did not inhibit the transition to democracy. In 1980, Peru experienced low economic growth, extreme foreign debt, a deficit trade balance, and economic inequality.[8] After the fall of its regime, the military permitted elections with a condition to safeguard its economic and political prerogatives.

While modernization theory may be useful in predicting the endurance of democracy and likelihood of a transition to it, it does not explain the factors that contribute to a failing democratic transition. According to Huntington, if economic development increases political mobilization at a faster rate than the growth of democratic institutions, it will lead to political instability.[9] As the society modernizes, its expectations will rise. The people will challenge the state if they are not able to realize their demands because of the absence of the proper institutions. Other scholars attribute the failure of Egypt's transition to democracy to the weaknesses of political institutions, as evidenced by the limited role they have played since Mubarak's regime. The institutional foundation of democracy in Egypt was limited, except for civil-society organizations, which emerged mainly to fulfill a social service role after the state was deemed inept at fulfilling its social contract. The only institutions that were considered competitive after the revolution were the military and the MB. The lack of democratic institutions contributed to a lack of rules for political actors to abide by in order to avoid political polarization and religious division among society. Therefore, without established rule and the absence of a legislative branch, President Morsi used his power to rule by decree under the pretext of protecting the democratic transition.[10]

The institutional argument claims that the success or failure of a democracy is correlated to the presence of state institutions and civil organizations. The more

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[8] Terry Karl L. "Dilemmas of Democratization in Latin America," *Comparative Politics* 23, no. 1 (1990): 4.

[9] Huntington, *Political Order in Changing Societies*, 74.

[10] Sally Roshdy, "Institutionalism in Egypt's Transition to Democracy," Mufta, July 1, 2013, http://muftah.org/institutionalism-in-egypts-transition-to-democracy.

developed and independent government institutions and civil-society are, the better chance there is for democracy to flourish. After Mubarak's rule, the military stayed on as the most influential institution in Egypt and managed to keep its role at the forefront of Egyptian politics. The military's political and economic interests would be put in jeopardy if the military submitted to civilian control; therefore, it is in the military best interests to block the transition to democracy. The MB, which emerged as the most powerful civilian institution after the revolution, had many changes to face in order to separate politics and religion, even though the MB showed some flexibility in mixing religion with political matters. The challenges that the MB faced were its exclusive behavior toward seculars and its reaction to social and political issues. From Brown and Elshobaki, it can be seen that there were two issues that may have inhibited the transition to democracy: first, to establish an Islamic society without being exclusive and to do so while maintaining public order; second, more liberals feared the Islamists than they feared the military during the transition that jeopardized democracy by creating an opportunity for the military to intervene.[11] Except for the military and the MB, the government institutions were weak, and their role was only to serve the Mubarak regime. Also, the civil organizations were limited in their activities to provide social services and never played an active political role. During the transition, the military and the MB were the only institutions that were able to influence and compete without any opposition or rule of law to restrain their overreaching of power.

While an institutional argument explains that after Mubarak's regime, the weak institutions in Egypt contributed to the emergence of a non-democratic regime, this approach fails to account for individual behavior and decisions involved in this democratic process. Also, the absence of democratic institutions is expected during transition, and they can be developed along the way to democracy. After the fall of the Soviet Union, with the exception of Poland and Hungary, which had established civil-

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[11] Nathan J. Brown, Amr Elshobaki, Kristina Kausch, and Álvaro de Vasconcelos, *The Egyptian Democracy and the Muslim Brotherhood* (Report 10) (Paris, France: European Union, Institute for Security Studies, 2011), 24–27, http://www.iss.europa.eu/publications/detail/article/egyptian-democracy-and-the-muslim-brotherhood.

society organizations before their transitions, other Eastern European countries lacked institutions and civil-societies yet were able to transition to democracy.[12]

The contingent (political actors) approach emphasizes the importance of the elites' commitment to democracy as the driver for success. While economic development is likely to drive democracy, political leaders are a must to make it happen.[13] During the transition to democracy, these actors will run into conflicts of interest, but they have to stay united against an authoritarian regime and remain committed to democracy in order to succeed. Dankart Rustow in Transition to Democracy states that democracy is a long process of "inclusive political struggle."[14] In Egypt, instead of all political forces coming together around the rules of transition and a plan accepted by a large majority of elites, there was a division among the political actors, which contributed to an ethnic and religious disunion within the society. The youth believed that the revolution that they supported was being derailed from its sole purpose of restoring dignity, and they split from their sponsored political parties. The Salafists claimed that the MB was not committed to adopting Sharia. The liberals, nationalists, and leftists claimed that the MB was overreaching for power and undermining its opponents. Religious minorities and women were underrepresented, and the National Democratic Party (NDP) was prohibited from participating. Political parties in Egypt failed to form a pact to stand strong against any force that could jeopardize democracy. They did not compromise and settle their differences to provide some minimum guarantee to all actors involved in the democratic process. Without setting any rules for the transition, the Islamists dominated the parliament and crafted a constitution that suited them, and the oppositions felt that the MB were self-serving and had hijacked their revolution. On the other hand, the MB claimed that opponents refused to negotiate when they were offered the opportunity to do so, and they were not capable of developing a moderate discourse or a strategy of accord. Instead, the opposition continued to oppose the MB and the government by refusing to

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[12] Miller E. Laurel et al., *Democratization in the Arab World: Prospects and Lessons from Around the Globe* (Santa Monica, CA: RAND Corporation, 2012), http://www.rand.org/pubs/monographs/MG1192.

[13] Samuel P. Huntington, "Democracy's Third Wave," *Journal of Democracy* 2, no. 2 (1991): 33–34.

[14] Dankwart A. Rustow, "Transitions to Democracy: Toward a Dynamic Model," *Comparative Politics* 2, no. 3 (1970): 352, http://www.jstor.org/stable/421307.

cooperate and demanding the overthrow of President Morsi. Without a doubt, the MB and its opponents failed to compete democratically. But, each side has its own explanation of why the other caused the failure. The puzzling question that still does not have an obvious answer is what side refused to cooperate and compromise?

The international approach emphasizes that the presence of global and regional democratic powers, economic interdependence, and international organizations contribute to a smooth democratic transition.[15] In the case of Egypt, the international factors did not play a positive role in driving Egypt's transition to democracy in the same way that it helped Eastern European countries. The fall of the Soviet Union, the lack of a market economy, and their desire to join the European Union all influenced Eastern European countries to consolidate under democracy. By contrast, Egypt is more influenced by the Gulf countries, which are far from being democratic. While other countries received foreign aid during their democratic transitions, the Gulf countries cut their support to Egypt once the MB came to power. Also, countries have become democratic because of their proximity to other democratic countries; this was not the case for Egypt. On the contrary, the civil war in Syria and at the pressure from Saudi Arabia against democracy that was expressed by military support to crack down on demonstrators in Bahrain, clearly signify the lack of support for democratic reform in the region.[16] The intention of the Gulf countries not to support an Egyptian transition to democracy was apparent after the financial support that Egypt received soon after the overthrow of President Morsi. Egypt was not constrained by international conditions to transition to democracy. On the contrary, its regional influence favored the country's focus on its domestic environment. External support is important in transitioning to democracy; however, it does not play an essential role in the failure of democracy, especially when all political actors are committed to democracy and socioeconomic conditions are suitable to promote it.

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[15]Philip C. Schmitter, "The Internatioanl Context of Contemporary Democratization," *Stanford Journal of International Affairs* 2 (1993): 1–34.

[16] Jason, Brownlee, Tarek Masoud, and Andrew Reynolds, "Why the Modest Harvest?" *Journal of Democracy* 24, no. 4 (2013): 29–44.

Many observers, such as Roshdy, Brown, and Rugman, attributed the failure of democracy in Egypt to the incompetence of President Morsi's government.[17] In addition to the deepened economic crisis and repression of human rights, security deteriorated and attacks on religious minorities escalated. Additionally, terrorism in the Sinai and the Suez zone became an issue. In this context, the military involved itself only enough to restore security for the Egyptians. Moreover, the lack of efforts to communicate with the Egyptian population about the national economic crisis along with the unpopular economic reforms provoked a revolt against the rise of gas prices. In defense of the MB, many Morsi sympathizers claimed that the "deep state" worked to keep President Morsi from power.[18] While the MB regime was in power, it did not have the support of the judiciary, police, army, or media. President Morsi was determined to stop the corruption and interference of the deep state. Evidence of that claim was that after President Morsi was ousted, fuel shortage and power outages returned to normal and the police returned to the street.

Each of these approaches—modernization, institution, contingent, and international—presents one set of explanations of factors that address the failed democratic transition in Egypt, and each of these factors has a different correlation weight of causation. While the general trend for the failure of democracy in Egypt was the inability of elites to settle their differences and agree on the rules of the transition by providing guarantees to all political actors, which would have allowed them to be included in decision making, the elites' decisions and motivations were shaped by institutional, socioeconomic, and international influences.

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[17]Sally Roshdy, "Institutionalism in Egypt's Transition to Democracy," Muftah, last modified March 1, 2014, http://muftah.org/institutionalism-in-egypts-transition-to-democracy; Jonathan Rugman, "Egypt: Democracy in the Balance," Catham House, July 11, 2013; Nathan J. Brown, "Egypt's Failed Transition," *Journal of Democracy* 24, no. 4 (2013): 45–58, http://search.proquest.com/docview/1465268972?accountid=12702.

[18] Nur Laiq, *Talking to Arab Youth: Revolution and Counterrevolution in Egypt and Tunisia* (New York, NY: International Peace Institute, 2013), 44.

D.   PROBLEM AND HYPOTHESES

This thesis will derive three hypotheses from the approaches addressed in the literature review: modernization theory, political actors, and international environment approaches. Also, based on the literature, the author will include the hypothesis of the deep state and dissatisfied economic elites. The analysis of these four hypotheses will depict a larger picture of all possible factors that may have intervened and hindered the democratic transition in Egypt.

Before July 3, 2013, some scholars, such as Springborg and Neriah, predicted that the military would block the transition path to democracy and overthrow Morsi's government to preserve its military's political and economic prerogatives.[19] Others, such as Brown, claimed that the disagreement between seculars and the MB over issues regarding the rules of transition and the lack of proper democratic institutions pushed the military to intervene.[20] Those who were anti-Morsi claimed that his government was incompetent and exclusive, and they called for military intervention. Finally, those who were pro-Morsi claimed that his government was sabotaged by the deep state and Mubarak loyalists, who had been waiting on the sidelines since Mubarak stepped down. All these suggestions fail to reveal the whole truth of what caused the shortfall of the MB on its path to democracy and the toppling of the Morsi regime. In the absence of a general consensus about Egypt's democratic failure, and in order to achieve an objective conclusion, this thesis considers the four hypotheses, and then analyzes and discusses them to affirm which factors led the military to intervene in Egypt's democratic transition.

1.   Hypothesis 1: Egypt's Non-readiness for Democracy

Egypt's economic crisis may have hindered the transition to democracy. Due to inflation and a high unemployment rate, the budget deficit was expected to reach 11

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[19] Jacques Neriah, "Egypt after Morsi: The Defeat of Political Islam," *Jerusalem Centre for Public Affairs* 13, no 19 (2013), http://jcpa.org/article/egypt-after-morsi-the-defeat-of-political-islam/#; Robert Springborg, "Democratic Control of the Egyptian Armed Forces: Wait Sitting Down," paper presented at Royal Danish Defense College, Copenhagen, Denmark, April 25–26, 2013.

[20] Nathan J. Brown, "Egypt's Failed Transition," *Journal of Democracy* 24, no. 4 (2013): 45–46, http://search.proquest.com/docview/1465268972?accountid=12702.

percent in 2013.[21] This is an indication of the economic crisis that Egypt was facing and continues to face. The gap between the poor and the rich is widening, and the middle class that represents the majority of the populace is falling to the poor class. Forty-five million Egyptians represent the middle lower class and earn between $2.00 and $4.00 a day.[22] Foreign direct investment and tourism sector revenues have decreased because of the lack of security and the political instability that Egypt has witnessed over the last three years.

2. Hypothesis 2: Failure of Political Actors to Form a Pact

The failure to agree on a long-lasting pact, in which all parties could achieve a compromise on the "rules of the game" in the transition to democracy and a guaranteed minimum interest for each party, contributed to Egypt's democratic transition failure. The division between liberals, nationalists, leftists, and Islamists created political chaos and provided an opportunity for Mubarak's remaining supporters and the military to capitalize on and overthrow President Morsi.

3. Hypothesis 3: The Hostility of the Gulf States toward Democracy and the Limited Support from the International Community

After the Arab Spring, the Gulf countries took an assertive stand toward shaping regional policies, especially after the U.S. shifted its interests from the Gulf region to East Asia. Egypt is the largest recipient of Gulf Cooperation Council (GCC) financial assistance. Except for Qatar, the rest of the Gulf countries cut their assistance to Egypt once the MB came to power. Gulf financial aid resumed after the ousting of Morsi. The MB was considered to be shifting more toward an Iranian influence rather than a GCC influence, in which case Morsi's policies would have created chaos in the Middle East. This uncertainty may have led the GCC to influence the military to influence what type of regime to replace Mubarak's regime.

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[21] Paul Rivlin, "Egyptian's Economy after the Election," Tel Aviv University, *Middle East Economy* 1, no. 8 (2011): 3.

[22] Ibid.

4. Hypothesis 4: The Deep State and Dissatisfied Economic Elite

Mubarak's regime is still present, and many of Mubarak's loyalists hold positions that could have allowed them to derail any democratic reform. The fear of civilian control over the military and loss of political and economic interests as a result of a democracy may have caused the military to intervene and block the transition to democracy. The economic elite, mainly those who were close to the army and the old regime, lost many incentives during the MB rule, as well as during the economic crisis that the country has witnessed over the last three years. These actors had enough incentive to sabotage the transition to democracy and ally with the military to overthrow the MB.

E. METHODS AND SOURCES

To understand the critical factors that led the military to intervene in the transition to democracy and overthrow a democratically elected government, this thesis will focus primarily on recent journals published by scholars, as well as news from both sides: pro-Morsi, such as Al-Jazeera, and anti-Morsi, such as Al-Arabia, from the first Arab Spring until today. Additionally, the thesis will depend on theoretical approaches that explain factors in the transitions to democracy and apply them in the case of Egypt, such as modernization, political actors, and international approaches. Also, the author will use some studies published before the ousting of Mubarak to help understand the behaviors of the actors involved, from the Nasser era until recently, especially the military and the MB. Taking into consideration these actors' pasts and how they evolved and changed will add more understanding of their recent behavior and rational decisions. The MB and the military have shared a variegated past filled with appeasement and confrontation during the last 60 years. If a historic trend of the Egyptian military can be identified, then its motivation to intervene after the Arab Spring can be better understood. Also, by understanding the MB's evolution since its inception, its behavior during the last two years may be explained.

F. THESIS OVERVIEW

Chapters I, II, and III will provide an overview of the theoretical approaches to transitions to democracy (modernization, political actors, and international environment

theories). After the overview of each of those theories, investigation of Egypt's democratic transition in light of these approaches will be provided. Also, throughout the thesis the author will provide comparisons to past democratic transitions. The intent of these chapters is to validate whether these approaches explain the possible factors that inhibited Egypt's democratic transition.

In Chapter IV, the author will address the thesis's last assumption that the deep state and economic elite's dissatisfaction hindered the transition. This chapter will focus on discussing the role and influence of the deep state and economic elite in domestic and foreign affairs before and after President Morsi came to power, as well as their motivations in blocking the democratic transition. In each of the chapters, the thesis will summarize findings on the causes of the failed transition.

Chapter V will evaluate the evidence to analyze which factors contributed most to the failure of Egypt's democratic transition. Finally, in the conclusion, the thesis will summarize the key findings of this study and offer lessons learned and recommendations for future democratic transitions in the Middle East.

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II.   EGYPT'S NON–READINESS FOR DEMOCRACY

A.   MODERNIZATION THEORY

Modernization theory focuses on structural and social conditions. Most scholars who examine modernization theory seek to understand and explain the relationship between socioeconomic development and democracy, specifically, whether poor countries are less likely to transition to democracy than rich countries. According to Seymour Lipset, economic development is correlated to democracy, "the more well-to-do a nation, the greater the chances that it will sustain democracy."[23] For a democratic regime to survive, it has to provide sufficient economic and social services in order for its citizens to perceive it as a legitimate regime. Lipset emphasizes the importance of the middle class in achieving inclusive growth through pursuing political interests in a democratic environment. The middle class is a necessary condition for a democratic culture to emerge because it will push for changes. The middle class is the only class that is able to change a regime's behavior and achieve its political goals by pursuing democratic behavior that encourages peaceful conflict resolution and avoids violence. The lower class is generally only focused on economic interests and is rarely involved in politics. On the other hand, the upper class is always interested in maintaining its status quo, since any political change could jeopardize its wealth and political status.

Similar to Lipset, Przeworski et al emphasize the role of growth, arguing that a country has to pass a certain threshold of development in order for democracy to survive; but, it does not cause it to transition to democracy.[24] Economic development and industrialization allow not only the emergence of democracy, but also allow authoritarian regimes to endure. In his model, Przeworski concludes that when a democratic country reaches a certain level of gross domestic product (GDP) per capita, it is hard to reverse to an undemocratic regime. On the contrary, states in transition to democracy lacking

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[23] Lipset, Seymour Martin, "Some Social Requisites of Democracy: Economic Development and Political Legitimacy," *American Political Science Review* 53 (1959, March): 75, doi:10.2307/1951731.

[24] Przeworski, Adam, Jose Antonio Cheibub, Michael E. Alvarez, Fernando Limongi. 2000. *Democracy and Development: Political Institutions and Material Well-being in the World, 1950–1990* (Cambridge: Cambridge University Press), 100–1.

economic development and not reaching the threshold GDP will face great risk to go back to authoritarian regimes—such as the example of some African countries during the third democratic wave. Sub-Saharan Africa's patrimonial regimes relied on single party politics, "clientelism," and repression of civil liberties. Patrimonial regimes fell once leaders of those states were not able to support their political agenda and pacify their clientele. Only a few countries in sub-Saharan Africa transitioned to democracy; Kenya, Cameroon, and Ivory Coast's old regime leaders manipulated the political process and returned to power;[25] Mali's democratic government was deposed by a military coup in 2012.[26]

In general, economic development leads to the growth of industrialization, urbanization, wealth, and education. In his examination of economic development, Lipset refers to sustained economic growth or the economic development achieved by Western countries.[27] In Western society, wealth is more equally distributed among citizens and the gap between the poor and rich is less wide than in developing countries. In Western society, the middle class is the dominant class where higher education and social services are brought about through its political participation and democratic tolerance. On the contrary, when there is a lack of redistribution of wealth, society will be divided between a large impoverished class and small ruling elite and would result in oligarchy or in tyranny, as is the case in most developing countries.[28]

While Przeworski rejects the hypothesis that economic development causes the emergence of democracy, Boix and Stokes argue that economic growth alone is not sufficient for transition to democracy—it is rather income equality generated from economic growth that is necessary for democratic transition.[29] Under this concept, Boix

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[25] Nicolas Van de Walle, "Africa's Range of Regimes," *Journal of democracy* 13, no. 2 (2002): 71.

[26] "Tuareg Rebels in Mali Declare Independence: Part of an African Awakening for Self-Determination?" Democracy Now, accessed 01April 2014, http://www.democracynow.org/2012/4/9/tuareg_rebels_in_mali_declare_independence.

[27] Lipset, "Some Social Requisites of Democracy: Economic Development and Political Legitimacy," 75.

[28] Ibid.

[29] Carles Boix and Susan Stokes, "Endogenous Democratization," *World Politics* 55, no. 04 (2003): 539–540, doi:10.1353/wp.2003.0019.

and Stokes agree with Lipset and reveal that economic development accompanied by income equality contributes to the creation of a large middle class. In the absence of the middle class, the social structure is dominated by a large poor class and small elite class, which seeks favoritism from the state. Reciprocally, the state seeks its support from the elite to preserve its legitimacy. The lack of a large middle class is what leads to corruption, which then leads to a lack of economic development and income inequality. The higher the degree of inequality, the more the elites have to lose and the more they are reluctant to shift to democracy, because democracy will divert the means of production and the rich will be more highly taxed to allow for an equal redistribution.[30] In contrast, democracy is more likely to occur when it is less likely to threaten the elites. In this case, the degree of inequality is low and the middle class represents the majority of society.

In sum, modernization and income equality lead to changes in social conditions that foster a pro-democratic culture initiated by the dominance of the middle class. Modernization increases the chances of a society's receptiveness to resolve differences, negotiate, avoid conflicts, undermine radicals and extremists, and give legitimacy to democratic political parties. In this chapter, the thesis will examine the significance of the modernization theory in the case of Egypt's failure of transition to democracy under the MB.

B.   EGYPT NOT RIPE FOR DEMOCRACY

Egyptians are more worried about the worsening of their economic conditions than their political situation; they experience inflation, a high unemployment rate, and class disparity. In Egypt, the gap between the poor and rich is widening, and the middle class that represents the majority of the population is falling down to the poor class. Forty-five million Egyptians represent the low middle class and earn between $2.00 and $4.00 a day.[31]

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[30] Daron Acemoglu and James A. Robinson," A Theory of Political Transitions," *American Economic Review* 91, no. 4 (2001):957, http://www.jstor.org/stable/2677820.

[31] Rivlin, "Egyptian's Economy after the Election," 3.

By 2007, under President Mubarak's rule, the Egyptian economy had observed an unprecedented economic boom, after which many independent analysts thought that the sustained growth and neo-liberal reform that the country was moving toward was finally established.[32] However, under the MB, Egypt faced challenges from social unrest, political instability, and lack of security. Many observers expected Egypt not to rebound from the contemporary economic crisis quickly enough nor achieve rates of growth sufficient for a democratic regime to survive. This socioeconomic conditions inherited from the previous regime became a challenge for President Morsi and his government as they tried to lead Egypt to democracy. This chapter provides an analysis of the Egyptian economic crisis, widespread corruption, and degradation of its middle class, which all contributed to the failure of transition to democracy during the MB.

1. **Egypt's Current Economic Crisis**

The International Monetary Fund (IMF) expected Egyptian economic growth to be around 1.5 percent in 2011, compared to the average economic growth of 5.5 percent under the Mubarak regime.[33] It would have been almost impossible to see an economic growth rate in a brief period similar to the one witnessed by Egypt from 1990 to 2010. A 1.5 percent growth is not enough growth to offset the population growth of 1.7 percent a year.[34] This disparity between economic growth and population growth could only worsen the economic situation and is likely to lead to a catastrophic economic decline. Moreover, the high rate of unemployment is expected to be out of control for years as the Egyptian labor force grows faster than the market growth. Every year, almost 1.5 million Egyptians are added to the labor force compared to the only 250,000 new jobs that the market force can sustain.[35] At this rate, Egypt will witness an addition of 1,250,000 unemployed per year.[36] With the economic decline, over the last decade, it has become impossible for the Egyptian labor market to absorb the increased labor force, especially

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[32] Springborg, "Egypt too Big to Succeed?" 397–9.

[33] Rivlin, "Egyptian's Economy after the Election," 2.

[34] Ibid.

[35] Ibid., 3.

[36] Ibid.

those with college degrees. It is hard for these youth to find government or private job that reflects their credentials. Unfortunately, the lack of family ties to government officials or to the Egyptian bourgeois exclude them from obtaining competitive jobs. Nonetheless, to start a business, upfront cash is required as credit by banks, red tape and dealing with corrupt officials is not deemed an alternative.

Financially, Morsi's government experienced a difficult task in managing its fiscal deficit and implementing new fiscal policies that could save the country from its debts. The budget deficit was 11 percent of GDP in 2012, and it was expected to reach 13 percent in 2013.[37] With a downgrade of Egypt's credit rating to B-, the government thought that the only solution to manage the budget deficit and pay its debts was through domestic loans with high interest rates that exceeded 14 percent, rather than low rate of three percent from the IMF.[38] But IMF conditions put the Egyptian government in an awkward situation, especially with what was happening with Egypt's social unrest. In order for the IMF to provide financial assistance, Egypt would have had to implement a fiscal reform, which consisted of an increase on the tax system through value added taxes and a reduction of subsidies to improve the efficiency of public spending. The government realized that such reforms would only accentuate public unrest as many protestors across the country expressed their anger toward it.[39] Among those who opposed the IMF loan were the Salafists and opponents of the ideas of capitalism. The former believe that interest on loans is against the principles of Islam, or "haram," and the latter are convinced that Egypt could survive without foreign loans, especially since the neoliberal policy that the country undertook was the cause of the Egyptian economic crisis.

The government's decision to finance its budget deficit through domestic lenders would not allow the government to escape its economic decline—on the contrary; it was only going to worsen it. As a solution, to gain liquidity for its short term debts, the

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[37] Mohammed Samhouri, "Egypt's Hard Economic Choices," *Sada*, accessed 24 March 2014, http://carnegieendowment.org/sada/index.cfm?fa=show&article=50800&solr_hilite=Egypt.

[38] Rivlin, "Egyptian's Economy after the Election," 4.

[39] Ibid., 3–5.

Egyptian Central Bank increased the interest rates in order to increase funds and encourage savings; however, with high interest rates, investors would be discouraged to invest in the economy and create jobs to solve the unemployment issues.[40] The budget deficit was aggravated under the MB's rule as the government decided to increase the minimum wage and extend over 450,000 contractual jobs in the public service.[41] During this time, only the government was creating jobs; the private sector was lagging behind with the global economy stagnation and rational private businessmen kept their money in banks, rather than investing and taking huge risks with the declining Egyptian economy.

Many observers disagreed with the government's decision to dry up all liquidity from the market and increase the interest rates, especially when the structure of the Egyptian economy is taken into consideration. Unlike developed countries, the manufacturing sector is not yet developed in Egypt. The Egyptian economy relies on FDI and small businesses to absorb 40 percent of the labor force and participate in 30 percent of the GDP.[42]

The tourism industry suffered a huge setback because of the political unrest and the absence of security that Egypt has experienced since the 2011 revolution. The Egyptian economy relies on tourism for foreign currency inflow to pay its trade deficit and keep thousands of jobs for semiskilled and unskilled workers. In 2011, after the revolution, the tourism industry fell by 16 percent; its performance decreased drastically since the MB came to power and failed to establish security. As a result, many countries banned their citizens from traveling to Egypt.[43]

Not only tourism, but also foreign investments suffered due to the political and security instability in Egypt. Foreign Direct Investment (FDI) accounted for almost 25 percent of all investment in Egypt before the 2011 revolution. Since then, foreign investors have been pulling out of Egypt as security risks are too high. To curb the

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[40] Ibid.

[41] Ibid., 2.

[42] Ibid., 3.

[43] Magda Kandil, "Prosperity in Depth, the Egyptian Economy after the Revolution," Legatum Institute, London, United Kingdom, accessed February 24, 2014, 5, http://twitter.com//legatumInst.

outflow of capital, the central bank put a restriction on the amount of money that could be carried out of the country as the foreign currency reserve was drying up. Since late 2008, foreign investments from the Gulf declined as a result of the drop of the petrodollar; total foreign investments from oil producers accounted for 50 percent of total foreign investments, mainly in real estate and tourism. Hence, a comparable Gulf petrodollar inflow to Egypt without high prices of crude oil and established security and stability in Egypt is not expected.[44]

Military overspending and involvement in the economy will always be an obstacle toward economic growth. The military accounts for half a million personnel—a number which does not include the count of total staff of the Minister of the Interior, which totals two million personnel. The military is the most powerful organization in the politics and economy of Egypt; it has acquired more and more influence with every regime transformation since 1952. Contrary to other countries' military, including the heavily dependent military of South Africa, the ratio of soldiers to civilians in Egypt is far greater with one soldier to 40 civilians.[45]

Under the Muslim Brotherhood, the military gained more ground and influence as it managed to obtain the exclusive power to oversee its own budget. The Egyptian military has a stake in the Egyptian economy by managing companies in several industries as well as owning land. Because of its confidential budget, there is no official amount for the military's income. Experts estimate that the military controls one-third of the Egyptian economy.[46] The military-controlled companies would be more efficient and profitable if they were run privately, and not by military officers who are not business minded. Such industries would keep the unemployment rate lower, if they were privatized and were not exploited by the military.

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[44] Springborg, "Egypt too Big to Succeed?" 397–9.

[45] Robert Springborg, "Democratic Control of the Egyptian Armed Forces: Wait Sitting Down," Paper presented at the Royal Danish Defense College, Copenhagen, Denmark, April 24, 2013.

[46] Zeinab Abul-Magd, "The Generals' Secret: Egypt's Ambivalent Market," Sada, accessed 24 March 2014, http://carnegieendowment.org/sada/index.cfm?fa=show&article=47137&solr_hilite=Egypt.

A military reform would help smooth a transition to democracy, but military reform taking place as long as the military is not under civilian control is not expected. Military reform is not a solution that was thought of just recently; it was introduced by President Sadat. President Mubarak was reluctant to introduce the idea of a modern and non-operational military, as he saw that the military employs around 800,000 personnel yearly.[47]

The military-controlled economy is a huge problem in Egypt. The military takes advantage of the political turbulence and security unrest to gain even more ground and extend its prerogatives. A successful transition to democracy would jeopardize the military's political and economic interests as it would then have to submit to civilian control, forcing it to modernize and cut down its forces.

2.   Corruption

After Sadat's economic reform, infitah, Mubarak followed in the steps of his predecessor by gradually implementing economic reform and promoting new business-class elites who made quick fortunes. Unlike Nassir, Sadat and Mubarak, due to international pressure from the IMF and World Bank, liberalized the economy to legitimize and strengthen their own regimes. The new business class that emerged from these economic reforms became Mubarak's loyalists along with his ruling National Democratic Party (NDP).[48] To ensure his regime's survival and legitimacy, without elevating the effects of cutting his social contracts with his citizens, Mubarak relied on his crony capitalists to fill the void in "votes" in exchange for "government perks."[49] Corruption became a common practice when businessmen found their way to the parliament, NDP, and cabinet ministries and used these positions to acquire or become brokers in selling and renting government-owned businesses. This was the strategy that Mubarak established with the businessmen elites; they had to either integrate into the regime to achieve economic benefits or risk their economic interests if they opposed it.

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[47] Springborg, "Democratic Control of the Egyptian Armed Forces: Wait Sitting Down."

[48] Alaa al-Din Arafat, *Hosni Mubarak and the Future of Democracy in Egypt* (New York: Palgrave Macmillan, 2011), 67.

[49] Ibid., 70.

Mustapha al-Said, chairman of the Parliament's economic affairs committee, declared, "Many businessmen believe their NDP memberships afford them safe haven for financial shenanigans, and that they join the NDP for that very reason."[50] The example of Mohamed Ibrahim Soliman, a former Minister of Housing is a good illustration of misuse of office power and widespread of corruption. Soliman used his power to transfer 8,000 acres of land to one of his close colleagues, a member of the NDP, for free, in order for the latter to use as collateral for a bank loan.[51] Soliman also sold some state-owned land in Cairo to a real estate businessman for a fifth of the land's estimated value.[52]

The business class and the NDP, along with the government's deep involvement in the economy, allowed the emergence of a corrupted system. The system is difficult to break or fight since the judicial and legislative branches are involved in it.[53] From this standpoint, the widespread corruption in Egypt became a major obstacle to democracy. The system created by Mubarak is a system that is incompatible with democracy, especially when political reform could jeopardize the elite's interests and perhaps cause the fall of the regime. Therefore, the Egyptian business class has stood fast against promoting civil society and effective participation in politics. According to a recent study conducted by a team of Al Ahram Center for Political and Strategic Studies (ACPSS), 71.1 percent of Egyptian businessmen believe that their interests align with the state's interests.[54] Contrary to the Egyptian business class, its counterpart in Latin America was the class that inspired the transition to democracy through its active political participation and advancement to civil society.[55]

Three factors that are attributed to the emergence of civil society are: "autonomy from the regime," "a pro-democracy agenda," and building a democratic coalition.[56]

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[50] Ibid., 71.

[51] Ibid., 141.

[52] Ibid.

[53] Ibid., 143.

[54] Ibid., 83.

[55] Ibid., 82.

[56] Ibid., 82.

None of these prerequisites existed in the case of Egypt. Over the last decade, Egypt witnessed the appearance of many civil society organizations, but they were fragmented, behaved in an authoritarian manner, and promoted corruption.[57] Most of these civil society organizations were co-opted and integrated into the regime. Their leaders resisted rotation of office since stepping down from leadership positions could risk the loss of privileges gained from supporting the regime. For instance, Mubarak's regime maintained a strong hold on labor unions and used them as an "arm of the state." The government appointed its leaders and empowered them to suppress workers and undermine their rights.

Mubarak's regime gained expertise in promoting uncivil society organizations by creating laws and rules that restricted the activities of citizens. Under Law 84/2002, the Ministry of Social Affairs (MOSA), which is the authoritative body to disband any association, approved the appointments of NGO boards of directors and penalized any association viewed as a threat to public order.[58] Those laws were a few of the constraints used by the regime to curtail the emergence of a democratic society and to maintain its status-quo. Contrary to the Egyptian's civil society organization (CSO), Eastern Europe and Asia's CSOs took advantage of economic crises to mobilize and challenge the democratic credentials of their regimes. The economic crisis in Indonesia motivated many CSOs there to stir dissatisfied citizens, and pressure President Shurato toward democratic reforms.[59]

While corruption inhibited democratic reforms, it also impeded Egyptian economic growth for a long time. The worldwide governance indicator (WGI) reported that the corruption index was rising while Egypt was ranked 112 out of 142 countries in 2011.[60] The crony capitalism system that the country was involved in by culture and/or due to greedy capitalists was the main reason for Egypt's economic degradation and high corruption. During Mubarak's rule, few independent businessmen were lucky enough to

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[57] Ibid., 150.

[58] Ibid., 148.

[59] Ibid., 150.

[60] Kandil, "Prosperity in Depth, the Egyptian Economy after the Revolution," 12.

launch their business ventures, since most of the business opportunities had to be blessed by Mubarak's close family and friends so they could take a part of the profits of any business deals. The Mubarak era observed an economic development that served his family and its inner circle's interests. Special deals were passed in favor of the latter awarding them land allocations and natural gas and construction contracts. Corruption was a sort of disease that spread from the top-down to include average Egyptian citizens, police, and government officers. There was no chance to deal without paying a bribe, or a bakchich. Everything privilege was bought and sold; to get any kind of permit (transportation, construction), to apply for a job, or other activities of daily life, citizens were required to bribe officials. According to Alfred Raouf, the legacy that Mubarak left after the January 25 Revolution was one of corrupted cadres, the only few who could run and manage the government.[61] During Mubarak's time, only one university offered a public administration program in the whole country, and only Mubarak's ruling party (NDP) could benefit from this program.[62] Most of the experienced government officials had graduated from this school, and they were habituated to corruption. This was the deep state that faced President Morsi during Egypt's attempted transition to democracy and that stayed loyal to the old regime.

In addition, corruption blocked foreign capital from entering Egypt. Foreign investors experienced hardship adjusting to the corruption and getting their businesses running. Many were forced to adapt, yet others quit because of conflicting business laws in investors' home countries and Egyptian regulations and culture. Saudi Arabian and U.S. investors withdrew $58 million from the financial sector within five months of their entering the Egyptian financial market because of corruption.[63] In U.S. business law, exchanging gifts valued over $2,500 is prohibited, as well as any expenses outside of regular business norms such as paying for government officials to expedite business processes (business permits, court disputes, and customs declarations). These expenses

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[61] Alfred Raouf, "Egypt Missing Political Middle," accessed March 27, 2014, http://www.al-monitor.com/pulse/originals/2014/01/egypt-missing-middle-class-politics.html##ixzz2xCsQDn00.

[62] Ibid.

[63] Farah Attia, "Foreign Direct Investment Dries up," *Daily News*, http://www.dailynewsegypt.com/2013/06/13/foreign-direct-investment-dries-up/.

cannot be written off, and it is against U.S. business law to get involved with such business conduct. Many Western investors found themselves between controversial alternatives: either they tolerated misconduct, or had to suffer the hideous established business and legal processes. In a World Bank report, Egypt was reported as one of the lowest ranked countries in "ease of doing business."[64]

In sum, the widespread corruption and the interconnection of the business class and Mubarak's regime inhibited the business class from effectively participating in promoting a healthy civil society and continuous economic growth. Instead, both the regime and the business class maintained the status-quo and continued to suppress democratic associations. Any change in the regime would jeopardize their interests, especially a democratic regime that would call for a redistribution of wealth. As corruption became the norm for doing business in Egypt, economic growth slowed as many foreign investors found it difficult to compete in such a corrupt business environment.

3.   Liberalism and Extinction of the Middle Class

Egypt's economic crisis is a symptom of a bigger problem—the disappearance of the Egyptian middle class over the last thirty years. The marginalization of the middle class started with the economic liberalization initiated during the Sadat era and concluded with Mubarak's full privatization in 1991. According to Dai Xiaoqi, in one decade the Egyptian middle class shrunk dramatically

> The percentage of the upper class in the total population in 1991 was 3%, the middle class made up 45%, and the lower class 52%. In 2006, the upper class accounted for 18.4%, the middle class 12.4%, and the lower class 69.1%.[65]

Because of the unsustainable economic growth, only a few people from the middle class moved to the upper class; the majority slid down to the lower class. The privatization of the state owned enterprises forced many Egyptians from the middle class

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[64] Kandil, "Prosperity in Depth, the Egyptian Economy after the Revolution," 12.

[65] Dai Xiaoqi, "Political Changes and the Middle Class in Egypt," *Journal of Middle Eastern Studies* 6, no. 2 (2012): 70.

to retire, and private owners maintained low wages, despite inflation. Also, the 1996 land reform deprived many farmers of their lands on which they depended to survive, pushing down this population from middle to low-class as well.[66] The rich peasants who owned lands and provided most of the jobs and social and financial services for many Egyptians were replaced by new business elites and their ability to support Egyptian peasants in rural areas diminished.[67]

The middle class, which was the base of support during Nasser's time, lost its economic and political status—this left Mubarak to rely on the upper class to gain support and legitimacy. The quality of life decreased drastically for the middle class during the last two decades. In addition to the difficulties of finding a decent paying job, many middle class people were forced to look for an informal second job, such as working part-time as taxi drivers or working at a shop to maintain their status. With the fall of living conditions of the middle class, it became difficult for this class to commit to social development and further prosperity of the country. As corruption became a common practice in Egypt, much of the middle class and many educated Egyptians migrated to Gulf and Western countries, while others traded their political power for money. The rest "took a back seat" and lost confidence and interest in making changes to the Egyptian political landscape. Those who participated first in the overthrow of Mubarak and later of Morsi were mainly youth from the middle-class—those who were able to afford computers and access the internet to rally Egyptians to the streets. Once they reached their goals in overthrowing the regime, they stopped short of reaching power. They were limited in their ability to foresee what regime might come next because of their inexperience in the political arena. More than that, these youth became tools for third parties to achieve political goals, yet they were left out of any political decisions. The Egyptian political and economic crisis will be resolved once the middle-class regains its economic and political strength and again represents the majority of social class in Egypt. The middle class is the engine of the economy; it is the class that feeds Egypt with high skilled workers that the economy and foreign investors are looking

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[66] Ibid., 72.

[67] Arafat, *Hosni Mubarak and the Future of Democracy in Egypt*, 80.

for. Furthermore, it is the class that is most likely to stimulate the domestic economy and invest in small and medium enterprises to create jobs.

According to the World Economic Forum, Egypt is ranked 126th out of 134 countries in higher education performance producing skilled labor.[68] Without quality education that is affordable, the government is failing to meet the needs of the labor market for skilled workers. These skilled job positions maintain the survival of the middle-class and its growth, when educated lower-class citizens move up the ladder. Also, empowering women by affording them opportunities in education and employment will further strengthen the middle-class. The female labor force in Egypt represents 24 percent of the total male labor force.[69] Booz and Company estimated that Egypt's GDP will increase by over 30 percent when the employment rate of women matches that of men.[70] However, this cannot be achieved without education and the promotion of women's rights.

The lesson learned from former President Mubarak's rule is that Egypt needs economic development—an inclusive plan—and not just economic growth measured by GDP per capita. For sustainable growth that is able to lessen poverty, Egypt needs to prioritize education, promote human rights and working conditions. It especially needs an economic plan that is oriented equitably to underdeveloped regions and villages to minimize the dislocation of society from their original habitats. Such an inclusive plan would be a long term plan; in the meantime, a short term reform plan should be initiated.

An immediate action for economic reform is a necessity for the Egyptian government in order to escape further economic collapse. Many Egyptian economists voted for fiscal reform early during the Muslim Brotherhood's rule, but the government was hesitant to make such a reform as it was worried about social unrest and political instability. The Egyptian government, under and after President Morsi has experienced a socioeconomic dilemma. In his article "Can Egypt's Transition and Economy Be Saved?"

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[68] Springborg, "Egypt: Too Big to Succeed," 9.

[69] Ibid.

[70] Ibid.

Hafez Ghanem said that it is a "no-win situation."[71] On one hand, with a fiscal reform, the population could revolt and social unrest would permeate society, while on the other hand, without fiscal reform, inflation could rise higher and an economic crisis most likely would prevail and result in further social unrest and public instability.[72] Even though it is not easy for a government in transition to convince its people to buy into a fiscal reform plan, at this time the Egyptian government has no other choice. The government has to reduce subsidies and increase taxes, or at least come up with a better plan in which only poor people benefit from subsidies but not everyone. Implementation of such a plan is determined by how much the government, private and political parties, and civil society are willing to compromise, as well as how much sacrifice the Egyptian people are willing to make to save their country from inescapable economic and social collapse.

This argument is not about the need of an economic reform in Egypt after the overthrow of Mubarak. It is an argument about the difficulty of having implemented such reform during the time of President Morsi, and after, especially when security is lacking, society is less receptive, and politicians are divided. The revolution of January 2011 was about "bread, freedom, and dignity" for Egyptians, as stated by the protestors. Economic reform would be a decision that would leave more dissatisfied Egyptians. Improving the economy was not a shortfall of Morsi's government only. The resignation of the interim government of Bablawi, which took over after President Morsi, was proof of the socioeconomic constraint that continued to hamper the management of the Egyptian economic crisis. Despite the $12 billion financial aid from Gulf countries, the unemployment rate stayed around 13 percent, fiscal deficit reached 14 percent of the GDP, and the Egyptian pound lost 12 percent to the U.S. dollar.[73] The discussion here concerns the timing of implementing such reform, especially when the majority of the populace belongs to the lower class. Any rise in prices and elimination of subsidies will

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[71] Hafez Ghanem, "Can Egypt's Transition and Economy Be Saved?" http://www.brookings.edu/research/opiniions/2013/05/01-egypt-economy-transition-ghanem.

[72] Ibid.

[73] Mohammed Samhouri, "Egypt's Economy and the Fall of Beblawi Government, "*Sada*, accessed 24 March 2014, http://carnegieendowment.org/sada/2014/03/04/egypt-s-economy-and-fall-of-beblawi-government/h2cl.

only anger them and push them back to the street. The middle-class that most of a new regime could rely on to gain legitimacy is marginalized in Egypt. Egypt's experience with economic liberalization or infitah damaged the country's social structure, and brought more inequality and poverty than wealth to the country because of the lack of strategy from the old regime to pursue social and economic development rather than relative economic growth. Currently, most Egyptians are afraid of any further liberalization and extra-debt that could benefit only a small number of people and create hardship on the rest.

C.   CONCLUSION

Modernization theory is applicable to the case of Egypt's transition to democracy. Egypt was not ripe for democracy under the MB regime and will still not be ready in the coming years because of the economic crisis, widespread corruption, income inequality, and lack of a middle-class. Absence of security and stability in Egypt, lack of fiscal and monetary reforms, and the involvement of the military in the economy hindered Morsi's government from making decisions to alleviate the larger population's economic grievances. The widespread corruption and the interconnection of the business class to the state inhibited the business class from effectively promoting a healthy civil society, which is a pre-condition for a transition to democracy. The degradation and hardship experienced by the middle class affected its ability to commit to social development through effective political participation. While economic growth contributes to the endurance of democracy, the socioeconomic crisis in Egypt, in these last years, hindered the transition to democracy. In order to promote tourism, foreign direct investment (FDI) and lower the unemployment rate and poverty, Egypt will need to promote security and social and political stability as well as contain corruption. Fixing the budget deficit and gaining access to international financial aid will require fiscal reform. Egypt will be able to prosper economically and observe economic growth, but economic growth in Egypt is not expected without a compromise between the government and political parties. Finally, Egypt should balance its priorities between economic growth and economic development, and avoid its previous mistakes of unsustainable growth that could lead to the worsening of unemployment, social inequality, and poverty.

III.   FAILURE OF POLITICAL ACTORS TO FORM A PACT

A.   POLITICALACTORS APPROACH

According to Huntington, Rustow, and Przeworski, the elites in a society constitute the most critical factor for transition from an authoritarian to a democratic regime; their support and commitment to democracy is the key to either a smooth, short transition or a bumpy, lengthy one. However, their resistance to change will lead to falling back to the old regime or to a failed state. The political actors approach emphasizes the importance of the elites' commitment to democracy as the driver for success. While economic development is likely to drive democracy, political leaders are a "must" to make it happen.[74] During the transition to democracy, these actors will run into conflicts of interest, but they have to stay united against the authoritarian regime and remain committed to democracy in order to succeed. Dankart Rustow in *Transition to Democracy* stated that democracy is a long process of "inclusive political struggle."[75]

In order to transition from an authoritarian regime, a democratic regime has to go through two different phases: extrication from the authoritarian regime and crafting a democratic constitution.[76] In the first phase, extrication is reached only when most of the participants in the transition will guarantee democracy and enjoy benefits from it. Without a guarantee, reformers within the authoritarian bloc will prefer the "status quo" and ally themselves with the hardliners. Extrication is feasible only with negotiation and trust among the elites, mainly moderates and reformers. On one hand, reformers will offer some assurance to ease hardliners and recruit many of them to join their ranks. On the other hand, moderates will guarantee that they have nothing to fear from democracy. Informal agreements on sharing power and office, forming a political pact against

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[74] Samuel P. Huntington, "Democracy's Third Wave," *Journal of democracy* 2, no. 2 (1991): 33–34.

[75] Dankwart A. Rustow," Transitions to Democracy: Toward a Dynamic Model," *Comparative Politics* 2 (1970): 337–363. Excerpts reprinted in: Mayer, Lawrence, Dennis Patterson, and Frank Thames, eds. 2009. *Contending Perspectives in Comparative Politics: A Reader*. Washington, DC: CQ Press, 439.

[76] Adam Przeworski, "The Games of Transition," in *Issues in Democratic Consolidation: The New South American Democracies in Comparative Perspective*, ed. Scott Mainwaring, Guillermo O'Donnell, and J. Samuel Valenzuela (Notre Dame, IN: University of Notre Dame Press 1992), 116.

intruders, and consensus on a road map for moving the country toward democracy are the ingredients for a successful extrication from an old regime. On the road map, political actors lay down the timing of elections and the crafting of the constitution, as well as their sequences, so all actors will have less to complain about the process. Political pacts among the leaders of political parties will agree on dividing the power and government offices among themselves, agree on basic policy orientations, and exclude outsiders.[77] Such pacts used in Italy, Spain, and Uruguay, and were called "transformismo." The Venezuelan 1958 pact "Punto Fijo" was successful in establishing a democratic rotation in government office. In this pact, three pro-democratic political parties agreed on dividing government posts among themselves and excluded communists from participation.[78]

The second phase of transition in the political actors approach is constitution crafting. Like extrication, representatives of pro-democratic forces enter into negotiations about writing a constitution that supports the emergence of democratic institutions, replacing the previous authoritarian ones. One key to success in this phase is compromise among all political actors on the decisions that should be made by agreement and the decisions that are left for competition, as well as the means that should be implemented to prevent society from subverting the emerging democratic regime. The Spanish constitution of 1977 specified only the rules of the game and left everything else to competition. On the other hand, the Brazilian constitution of 1988 was achieved based on agreement among actors, which specified everything including social and economic rights.[79]

Moreover, political leaders struggling to overcome remnants of an authoritarian regime should consider when to divide and compete while still staying united against the old regime. If political actors divide early, they may risk the democratic transition as incumbents of the authoritarian regime take advantage of this division and play the actors one against the other. The rivalry between two anti-authoritarian regime presidential

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[77] Ibid., 124.

[78] Ibid.

[79] Ibid., 123.

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candidates in South Korea resulted in their both losing in the presidential elections and opened the way to a new candidate tied to the old regime.[80] However, if pro-democratic actors choose not to divide at all, this may lead to a regime that is more an anti-authoritarian regime than a democratic one and which would lack competition and representation.[81]

In summary, a successful transition is the result of a negotiated extrication and generating a negotiated constitution among political actors. Pro-democratic actors will chose either to eliminate or repress those who resist transformation by introducing democratic institutions and any means that they can pursue to carry out their political struggle. Pro-democratic actors may choose to include some of the old regime by providing them with some political and economic opportunities for their quiescence. Either strategy requires that political actors form a political pact, provide guarantees and benefits to all participants, and negotiate the rules of transition.

B.   POLITICAL ACTORS

The second chapter of this thesis argues that, in Egypt, failure of political leaders to find a middle ground and settle their differences under Morsi's government led to the failure of the democratic transition. After the January 2011 revolution, the Muslim Brotherhood was caught between conflicting political forces with the Salafis, on one hand, and the secularists, on the other.[82] This political polarization challenged the MB to reach a compromise and raised an issue of incompatibility between Islam and democracy, despite President Morsi's discourse of commitment to democracy soon after his election as the head of the state. Many political actors quickly lost trust in the MB after the group overreached for power and became exclusive when Morsi won the presidential election, despite the MB's promises not to run a candidate.[83] This chapter will address the

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[80] Ibid., 124.

[81] Ibid.

[82] Eric Leckie, "The Muslim Brotherhood and the Perception of Democracy" (Master's Thesis, Naval Postgraduate School, 2012–12), 28, http://hdl.handle.net/10945/27858.

[83] Rod Nordland, "Egypt's Islamists Tread Lightly, but Skeptics Squirm," *New York Times.* July 28, 2012, http://www.nytimes.com/2012/07/29/world/middleeast/egypts-islamists-tread-lightly-but-skeptics-squirm.html?_r=0.

relationship between key political stakeholders and the MB, and how they failed to both extricate the state from an authoritarian regime and craft a constitution. This chapter outlines the MB's intentions and commitment to democracy, and how each political actor perceived the MB and Morsi's government. Key stakeholders were: the military, Salafists, secularists, and Christian Copts. The MB's relationship to the military will be addressed in more depth in Chapter IV.

1.   The MB's Relationship with its Opponents and Commitment to Democracy

The MB's credibility as a democratic actor is still debatable, especially after its failure to transition Egypt to democracy under its rule. The MB adapted to its political environment by establishing political legitimacy after the overthrow of Mubarak. Despite the challenges that this new political party faced, to separate its religious ideology from politics, it demonstrated flexibility to compromise and embraced democracy.[84] Taking a close look, the MB was the most vocal advocate for democracy under the leadership of Tilemensani. Tilemensani realized that representation in parliament was an ideal way to gain political legitimacy without provoking Sadat's regime.[85] Since that time, the MB started competing for leadership positions; its leaders succeeded in winning in professional syndicates and student organizations.[86] The MB promoted social justice, religious tolerance and political plurality, trying to challenge Mubarak's regime on its democratic credentials. Through the professional syndicates and student organizations, the MB emphasized democratic values promoting inclusiveness regardless of race, religion, or ethnicity.[87] In "Islam in Politics and Power," Hudaibi addressed the MB's political views on different issues such as political pluralism, violence, and relationships between Muslim and non-Muslims.[88] The fifteen principles of the MB are in accordance

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[84] Leckie, "The Muslim Brotherhood and the Perception of Democracy," 48.

[85] Carrie R. Wickham, *The Muslim Brotherhood: Evolution of an Islamist Movement* (Princeton University Press, 2013), 46–7.

[86] Ibid., 58–60.

[87] Mohammed Zahid, *The Muslim Brotherhood and Egypt's Succession Crisis* (New York: Tauris,2012), 95.

[88] Mohammad Ma'mun El-Hudaibi, "The Principles of the Muslim Brotherhood," February 1, 2010, accessed April 9, 2014, http://www.ikhwanweb.com/article.php?id=813.

with democratic principles that promote human rights, civil society, political competition, and civil-military relations.[89]

There is no doubt about the emergence of the MB from its inception as a radical organization to a moderate democratic Islamic organization during the last two decades. The problem that the MB faced after the ousting of Mubarak was to transform from a competing organization to a ruling political power and implementing its democratic principles.[90] This problem became a challenge when the MB came face to face with a political scene with a long history of authoritarian institutions such as the military and security forces. "Since Morsi won, the Muslim Brotherhood adopted more of a conciliatory tone and made an effort to reach out to non-Islamists," Mr. Hamid said, "The question is if it has worked, and I would say it hasn't. It's deep-seated. Neither side trusts the other."[91] Secularists accused President Morsi for allying with the military and accommodating their demands, rather than subduing them to civilian control. The MB overreached for power and was not willing to share it and wanted to transform Egypt into an Islamic state. Morsi did little to stop security forces from suppressing demonstrators, and he undermined the judiciary in order to amass maximum power.

All of these accusations led to a division between Islamists and non-Islamists, initially, and then, contributed to the Salafists dissociation from the MB. However, these were not the sole factors that blocked the transition to democracy. Inability to form a pact against a previous authoritarian regime, inability to compromise and compete democratically and failure to address a road map for transition were the factors that contributed to a division among political actors, which then led to the military intervention.

Shortly after toppling Mubarak's regime, all of the political participants in the revolution underestimated the effectiveness of the "deep state" and its determination to come back to claim what it had lost. In this context, the deep state was a coalition of

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[89] Ibid.

[90] Leckie, "The Muslim Brotherhood and the Perception of Democracy," 61.

[91] Nordland, "Egypt's Islamists Tread Lightly, but Skeptics Squirm."

influential and anti-democratic groups of high ranking military and security officers and judges. Whether or not the MB behaviors pushed its opponents to divide early, it was a bad strategy. While overthrowing Mubarak was an achievement in itself, Mubarak's regime would carry on unless authoritarian institutions were also removed. This could have been accomplished only with a political pact, in which all actors set aside their differences and behaved democratically. The fragmentation among Islamists and non-Islamist actors caused a failure to agree on a road map and build a pact against the military, which in turn provided the latter with a chance to intervene and dictate its rules for transition. In an atmosphere of mistrust among political actors, combined with social unrest, the military emerged as the only institution that could save Egypt.[92] Henceforth, the military unilaterally implemented a road map for transition, set the date for elections, and dictated the requirements for the constitution drafting, which created conflicts among political participants.

The division among political parties had become very apparent earlier, after the presidential and parliamentary elections. For democracy to work, political parties need to divide and compete, unlike during the Mubarak era, when political parties functioned to support the regime rather than confront it. However, the early split led to a third party intervening in the transition to democracy.

It was clear from the beginning that after the overthrow of Mubarak's regime, the opposition appeared disconnected and lacked a good plan for transition. With the absence of a consensual road map, the Egyptian generals stepped up to make all of the decisions for the transition and played all of the political actors against one another. It was a strategy that the generals pursued to make the opponents feel weak and then rely on the military to guarantee some political power in this transition. Therefore, with failure to compromise on a road map and democratic rules of the game that required all political parties to follow, the MB sided with the military for obvious reasons—to restore security and then to avoid any conflict of interest, building trust between the strongest institutions

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[92] Leckie, "The Muslim Brotherhood and the Perception of Democracy," 61.

in Egypt.[93] This early deal between the MB and Security Council of Armed Forces (SCAF) led by Field Marshal Tantawi was considered by the political opponents as an agreement to divide power between them and leave others out. The Islamists would control the legislative branch, whereas the military would maintain its control over the executive branch by delegation.[94] However, approaching the presidential elections this conspiracy proved not valid as the MB showed interest in the presidential election.

The only two forces that were able to compete in this political vacuum were the military and the MB. The quiet time enjoyed after Mubarak's overthrow came to an end, as the two groups proved they could not coexist in harmony. The long history of rivalry that these two shared since Nassir's era could not be ignored. The military could not trust the MB and jeopardize its economic and political interests, especially if it was aware of the Islamists' commitment to get rid of corruption and any symbols connected to the old regime. Even though the MB provided assurance to the military and sought its support in this early transition, it was only a matter of time before the MB subdues the military under its control. On the other hand, the MB's suspicion toward the military grew when the latter backed the career army officer and former vice president, Omar Suleiman, in the coming presidential election.[95] This move was seen by the MB as an attempt to restore the old regime.

The MB was divided on whether to appoint one of its members for the coming presidential election on May 2012. Such a decision would put the MB in a bitter confrontation with the SCAF as claimed by Ayman al-Sayyid, but the situation was different from what the MB first agreed on.[96] Initially, the MB declared that it was not

[93]Mona el Ghobashy, "Egyptian Politics Upended," Middle East Research and Information Project August 20, 2012, http://www.merip.org/mero/mero082012.

[94]John Leyne, "Moment of Truth for Egypt's Muslim Brotherhood," *BBC News*, 30 March 2012, http://www.bbc.co.uk/news/world-middle-east-17553608.

[95] Hamza Hendawi, "Egypt Military Backs Mubarak's VP for President," UT San Diego, 8 April 2012, http://www.utsandiego.com/news/2012/apr/08/egypt-military-backs-mubaraks-vp-for-president/?ap.

[96] Leyne, "Moment of Truth for Egypt's Muslim Brotherhood."

going to compete for the presidential election; however, it backed away from its promise once the old regime announced its candidate, which was supported by the generals. [97]

In addition to the mistrust between the MB and its opponents because of the presidential election, now more than before, the opponents believed that the Islamists had "hijacked" the revolution since they were the last to join and finished by usurping all the power. Early on after Mubarak stepped down, the Islamists allied with other secular parties and showed a willingness to share power, and promised they were not going to be greedy. Their near term objective was to be represented in parliament. But once they dominated the parliament, taking almost 70% of the seats, they pushed their political agenda even though it was at the expense of minorities. When Morsi won the election to become the first civilian president, this ambiguity about Islamists and "Islamocracy" became a nightmare for most seculars, liberals, and Christian Copts.[98] At this point, the Islamists, who were banned from politics, became the dominant power. On the other hand, the military, secularists, and liberals lost everything. They faced possibly losing their economic advantages, while the Copts feared losing their religious freedoms. The situation became intense and trust between Islamists and non-Islamists was marginalized, especially after Khairat al-Shater, the former deputy leader of the MB, announced during an interview with Reuters that his acceptance to run for the presidency was to provide the MB dominated parliament the executive power to allow for reforms without military meddling.[99] Also, he added that the new government would establish civilian control over the military as well as taking away its economic prerogatives.[100] Shater said, "Egypt's new government would exercise civilian oversight over the armed forces' budget and their business interests."[101] While this claim was a direct attack on the military, Shater also addressed the Islamist intentions to reform society on the basis of

[97] Ibid.

[98] Yolande Knell, "Egypt Muslim Brotherhood U-turn Sets Election Agenda," BBC News, April 6, 2012, http://www.bbc.co.uk/news/world-middle-east-17635869.

[99] Marwa Awad and Abdel Rahman Youssef, "Mubarak Aide Presidency Bid an 'Insult': Islamist Rival," *Reuters*, April 8, 2012, http://in.reuters.com/article/2012/04/09/egypt-brotherhood-idINDEE83707820120409.

[100] Ibid.

[101] Ibid.

Islamic values, "Our foremost aim is achieving progress based on Islamic principles."[102] These are claims that could not be ignored by either the military or other non-Islamist groups.

The MB made great ideological compromises when they gave up the idea of establishing an Islamic state and built alliances with other political parties, but they were rejected in every attempt to accommodate their opponents. Many members of the MB believed that the non-Islamists were the issue, not MB governance; a member of the MB said, "It is clear that the Islamists are not welcome in all cases, and the accepted and required democracy cannot be ushered by the Islamist trend unless it abandons its identity and roots."[103] The only solution was to confront their opponents. As a backup to this claim, in 1991, when the Islamic Salvation Front (FIS) won the majority of seats in local elections and in the National Assembly in Algeria, it was confronted by the Army when it canceled the second round of the elections.[104]

Those who joined Tamorrod during June 2013 were convinced that the Islamists failed to prove that they were committed to democracy and that they had not really changed throughout the last decades. In one year of rule, the MB proved that they were unable to share power and tolerate liberal democracy. The one-year rule of the MB provided evidence to all Egyptians that its blame of the old regimes for the way the brothers had been treated was deserved. In the past, every time an MB member was arrested or prosecuted by the old regimes, the "mihna" was mentioned and the MB became the victims.[105] Most Egyptians sympathized with their cause, and believed that they had been discriminated against. They were labeled terrorists and used as scapegoats in order to eliminate the Brothers from the political arena.

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[102] Ibid.

[103] Mohammed Abu Romman, "The Islamist Movement and Questions on the 'mehna' (Ordeal)," Al Jazeera Center for Studies, October 09, 2013, 4, http://studies.aljazeera.net/en/reports/2013/10/201310982051501697.htm

[104] "Islamic Salvation Front," Encyclopedia Britannica, accessed April 3, 2014, http://www.britannica.com/EBchecked/topic/295755/Islamic-Salvation-Front.

[105] Shadi Hamid, *Temptations of Power*: *Islamists and Illiberal Democracy in a New Middle East* (New York, NY: Oxford University Press, 2014), 222.

Egyptians are convinced now of the failure of the MB to govern and respect others' civil and religious rights. This time the MB persecution came from all Egyptians, society in general and politicians, calling for its overthrow, rather than from the authority as during the times of Nasser, Sadat, and Mubarak.[106] During one year of governance, the MB and Morsi's government endured many criticisms and failed to reach a compromise with political parties or civil society. They were called undemocratic and power grabbers. The MB tried to contain the military's power, limit secularists from exerting any political influence, threaten Christian Copts' safety, and tried to manipulate the judiciary branch.

A close examination into the MB's conduct reveals that the MB's opponents exaggerated their accusations. The MB's actions indicated that it tried to accommodate and reach out to its opponents. The MB's good intention to compromise and be open to political pluralism was shown in its formation of a Freedom and Justice Party (FJP), a separate political party from the parent organization. The FJP accounted for 9,100 members of whom a third were Copts and non-Brotherhood members.[107] This was an indication of the MB's willingness to share power and provide inclusiveness. The organization asked its members who held key positions at the FJP to leave the MB. Also, Morsi disassociated himself from FJP once he became president, claiming that he was a president for all Egyptians.[108] The claim that the MB was exclusive once they reached power is not conclusive.

In August 2012, two months after his election, President Morsi sent into retirement the army's head and defense minister, Field Marshal Hussein Tantawi, and replaced him with General Abd el-Fattah el-Sisi. He also pushed many other senior generals into retirement, and canceled military laws intended to restrict presidential

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[106] Diya Rashwan, "The Last Ordeal of the Muslim Brotherhood," *al-Masry al-Youm*, 25 August 2013, http://www.almsryalyoum.com/node/2062381.

[107] Amr Elshobaki, "Building Democracy or Confronting the Islamists? The Case of the Muslim Brotherhood" in *Egyptian Democracy and the Muslim Brotherhood*, ed. Esra Bulut Aymat (Paris: European Union for Security Studies, 2011), 18, http://www.iss.europa.eu/uploads/media/Egyptian_democracy_and_the_Muslim_Brotherhood.pdf.

[108] Nordland, "Egypt's Islamists Tread Lightly, but Skeptics Squirm."

powers.[109] This move was received enthusiastically by Egyptians who, for years called on limiting the political influence of the military. However, it was still a bold move for a newly elected president to have targeted the head of the country's strongest institution. Al Jazeera's Rawya Rageh called Morsi's decision a "political earthquake."[110] Many observers regarded this unexpected decision as Morsi's tactic to consolidate his own power and reform the military in a way to serve the MB regime. According to Robert Springborg, "It's a takeover of military rule rather than the end of military rule. This is another phase of authoritarian rule."[111] The decision to send the military back to the barracks and submit it to civilian control was a part of the transition to democracy. However, the decision was taken unilaterally and involved neither the military nor other political parties. The decision could have been interpreted as a move by the MB as a projection of power. The military has had a history with the MB since 1952, and it could retaliate. A compromise among all key leaders on how and when a transition to civilian control over the military would be best implemented would signal the good intentions of the MB, and that would not have been overreaching for power. Such a decision is a step toward consolidation of democracy. Moreover, the support of the other political actors would have shown the military that the society was united and committed to democracy.

Regarding the crafting of the constitution, most debate and the division among the actors concerned the dominance of Islamists in the government and how that could lead to the establishment of an Islamocracy. Comparing the new 2013 constitution to the 2012 constitution, they are very similar. The similarity between the two constitutions proved that the problem was who wrote the constitution rather than what was in the constitution.[112] "A similar formulation in the 2012 constitution was condemned by the people in power now—suggesting that in the end what counts in Egypt is not what the

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[109]Al-Jazeera, "Crowds in Cairo Praise Morsi's Army Overhaul," Al-Jazeera, August 13, 2012, http://www.aljazeera.com/news/middleeast/2012/08/201281215511142445.html.

[110] Ibid.

[111] Rana Khazbak and Heba Afify "Morsy Grooms a New Rank of Officers, Experts Say," *Egypt Independent,* August 13, 2012, http://www.egyptindependent.com/node/1047286.

[112] Marina Ottaway, "The Egyptian Constitution: Mapping Where Power Lies," Wilson Center, December 2013, accessed April 10, 2014, http://www.wilsoncenter.org/publication/the-egyptian-constitution-mapping-where-power-lies.

constitution says but who wrote it," Marina Ottaway said.[113] Also, while President Morsi was criticized for keeping the military's interests intact, the opposition let the military have more influence after the overthrow of President Morsi. The new constitution allowed the military to try civilians in military courts, and the defense minister must be a military officer chosen by the SCAF.[114]

The MB tried to compromise and sympathized with both the Salafists and secularists, but the latter decided to cut short the process of negotiation and boycotted the constitutional assembly. "When boycotts," Brown claimed, "and questioning of election results become the stuff of normal politics there is little room for give-and-take."[115] Moreover, non-Islamist political ineffectiveness made it harder for the MB and Morsi's government to keep moving forward in this transition. First, when non-Islamists protested the idea that the constitution should precede the elections, they failed to provide an alternative plan on how and who should craft the constitution.[116] Then, they boycotted the constitutional assembly and used the courts and the military to solve their disagreement with the MB, instead of keeping negotiations open and articulating their vision about the constitution.[117] According to the Al-Jazeera Center for Studies, the opposition was more threatening than negotiating in its dialogue with the MB because of the opposition's confidence in its leaders recently, the media, and the Salafists joining the opposition.[118]

2. Split between the MB and Secularists

From the time of Sadat, political tolerance and pluralism were not intended to compete in the regime. Multiple-party tolerance was designed to strengthen the

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[113] Ibid.

[114] Ibid.

[115] Nathan J. Brown and Thomas Carothers, "The Real Danger for Egyptian Democracy," (Washington DC: Carnegie Endowment for International Peace, November 12, 2012), 3, http://www.carnegieendowment.org/2012/11/12/real-danger-for-egyptian-democracy/eg5z.

[116] Nathan J. Brown, "Egypt's Failed Transition," *Journal of Democracy* 24, no. 4 (2013), 48, http://search.proquest.com/docview/1465268972?accountid=12702.

[117] Ibid., 54.

[118] "Egypt's Plight: A Political Game without Rules," Al-Jazeera Center for Studies, February 11, 2013, http://studies.aljazeera.net/en/positionpapers/2013/02/201327103350815755.htm.

authoritarian system and contain the revolutionary elites. This is the recipe for enduring authoritarian regimes in the Middle East.[119] Sadat created the National Progressive Unionist Party (NPUP-Tagamuu) and the Liberal party (LP) as socialist parties and encouraged some of his supporters to join them.[120] They did not naturally emerge as competitors to the Sadat's regime or as a representation of the fabric of Egyptian society. Tagamuu's objective was to marginalize any leftist party, such as the Nasserites, and absorb them. The National Democratic Party, or Mubarak's Party, represented only the elites who wished to connect to the state and further their interests; it was designed for "indoctrination, surveillance, and repression."[121] According to Alaa al-Din Arafat, these new parties were mirrors of the president and his regime.[122] Henceforth, after decades of authoritarian regimes, secularists were left without a clear vision, social support, or skills of political negotiation.

Not long after the departure of Mubarak, Islamists and secular actors disagreed about the sequence and procedure of elections and about writing the constitution. The debate was about whether the elections should precede the writing of the constitution or not.[123] The Islamists called for elections before the constitution because they seemed to be the most organized and favored to win. The secularists demanded not to rush to elections until a constitution was written and they would profit from the time to organize their campaigns. Without a compromise, the military capitalized on this disagreement to push its agenda and its rules regarding the democratic transition.[124] Nonetheless, an early disagreement and rush to elections resulted in a rejection of the outcome by secularists who opposed the early elections. The democratic path started poorly when the military gave ambiguous directives on the writing of the constitution. It failed to determine who

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[119]Alaa al-Din, *Hosni Mubarak and the Future of Democracy in Egypt* (New York: Palgrave Macmillan, 2011), 14–16.

[120] Ibid.

[121] Ibid.

[122] Ibid.

[123] Brown, "Egypt's Failed Transition," 54.

[124] Ibid.

the hundred representatives to write the constitution would be.[125] Hence, most of the representatives were pulled from parliament, which was dominated by Islamists; this gave more reasons to secularists to boycott the drafting of the constitution because the constitution would not represent all of Egyptian society.[126]

The friction between the MB and secular parties increased when the MB decided to participate in the presidential elections. Secular parties viewed this decision as a strategy by the MB to monopolize power and control all leadership positions, especially after the Islamists dominated the parliament. The former foreign minister and Arab League leader, Amr Moussa, declared that a win in the presidential elections and a domination of the parliament by Islamists would undermine non-Islamists and make it seem that "the revolution had never happened."[127] Like Amr Moussa, many of the opponents of the MB believed that the revolution was championed by liberals who now found themselves on the side and in a situation that was worse than before the revolution.

While Morsi's decision to establish oversight on the military was popular, many other political actors were not supportive of the move. The Al-Wafd party which was against the MB's run for presidency, criticized Morsi's decision to contain military power, claiming it was evidence of the MB's intention to control Egypt.[128] Nasserist and the Democratic Front Parties called the move a coup by the Brotherhood on the state.[129] On the other hand, while Mohammed ElBaradei, leader of the liberal movement, approved of the move against the military, he warned that such recovery of executive and

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[125] Ibid., 48.

[126] Ibid.

[127]Tarek El-Tablawy, "Egypt's Secularists Criticize Brotherhood Presidency Run," *Bloomberg.com*, April 2, 2012, accessed April 4, 2014, http://www.bloomberg.com/news/2012–04–01/egypt-s-muslim-brotherhood-nominates-president-candidate.html.

[128] Mohamed Elmeshad, "Monday's Papers: Every day He's Shuffling," *Egypt Independent*, August 13, 2012, accessed April 4, 2014, http://www.egyptindependent.com/news/monday-s-papers-every-day-he-s-shuffling.

[129] Ibid.

legislative power should be temporary; otherwise, it would be considered to be against democratic principles.[130]

Over time secularists became more outspoken toward President Morsi's policies than before, and they refused to collaborate in the constitutional process, preferring to protest on the street instead. Under this pretext, President Morsi issued a presidential decree giving him power to challenge any laws and neutralize the judiciary until the approval of the constitution. In defense of his presidential decree, President Morsi claimed that the decree was temporary, and that it was necessary for Egypt to pass this transitional period and restore stability which the country was lacking because of the absence of a constitution.[131] While President Morsi's intention was to maintain sovereignty, secularists responded that sovereignty was a matter of national security and foreign policy, and not to grant the president immunity from legal challenges.[132]

3.   Split between the MB and Salafi Al Nour Party

Early in the Egyptian revolution and after the overthrow of Mubarak, many observers predicted that the MB and Salafist alliance was mainly to undermine secularists and liberals, and would not last long. It took only a few months for this alliance to come to an end, and then the groups became rivals.[133] To understand this rivalry, the ideologies of these two organizations must be understood. Salafism is a movement that emphasizes close devotion to the model of the *Salaf* or "predecessors."[134] Salafist ideology and

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[130] Al-Masry Al-Youm, "ElBaradei Hails Morsy's Military Reshuffle, Sahry Rules Out People's Assembly Revival," *Egypt Independent,* August 18, 2012, http://www.egyptindependent.com/news/elbaradei-hails-morsy-s-military-reshuffle-sahry-rules-out-peoples-assembly-revival.

[131] Mohamed Abd el-Ghany, "Egypt's Draft Constitution Approved by Islamist-Dominated Assembly," *the Guardian*, November 30, 2012, http://www.theguardian.com/world/2012/nov/30/egypt-draft-constitution-islamist-assembly.

[132] Abdel-Rahman Hussein, "Mohammed Morsi Indicates Judicial Decree will be Limited," The Guardian, November 26, 2012, http://www.theguardian.com/world/2012/nov/26/mohamed-morsi-decree-sovereign-matters.

[133] David D. Kirkpatrick, "In Egypt, No Alliance with Ultraconservatives, Islamist Party Says," *The New York Times*, December 1, 2011, https://hydrablog.csusm.edu/2011/12/in-egypt-no-alliance-with-ultr.html.

[134] Robin Wright, "Don't Fear All Islamists, Fear Salafis," *The New York Times*, August 19, 2012, http://www.nytimes.com/2012/08/20/opinion/dont-fear-all-islamists-fear-salafis.html.

practice of Islam is a direct imitation of the practices of Islam by the first generation of Islam, especially the practices and teaching of the Prophet Muhammad—that the Quran and Sunna are the core of the Islamic faith and practice. According to Jonathan Brown, before the revolution the Salafis were not politically active, due to their belief in no separation between religion and politics.[135] Moreover, they advocated political quietism, "Muslims must not rebel against their ruler no matter how unjust or impious he is, and the Muslim masses have no rights to political participation," Brown said.[136] Under this pretext Mubarak became more tolerant to Salafis and used them to balance the MB. Like the Salafis, the MB extracts its ideology from the Quran and the Sunna. The MB assimilated some modern Western ideas and showed more willingness to compromise with secularists.[137] In contrast, the Salafis opposed modernity. The MB accepts modern science and recruits professionals and intellectuals educated in the West—it incorporates the Western idea of revolution and democracy with a different interpretation and reference to Sharia.[138] In his interpretation of Sharia law, President Morsi drew many similarities between Shura or consultation and Western democracy, such as women's rights, freedom of speech, and protection of religious minorities.[139] In view of these ideological differences, the cooperation between the MB and Salafis came to an end. The differences resulted in confrontations between the MB and Salafis beginning in the 1970's when each of the groups tried to dominate the public domain, mainly through mosques and universities.[140]

Early in the revolution, the MB and Salafis had formed an alliance to leverage their resources and counter-balance the secular and liberal parties. Also, they thought

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[135] Kirkpatrick, "In Egypt, No Alliance with Ultraconservatives, Islamist Party Says."

[136] Jonathan Brown, "Salafis and Sufis in Egypt" (Washington, DC: Carnegie Endowment for International Peace, 2011), 3, http://carnegieendowment.org/files/salafis_sufis.pdf.

[137] Magdy Samaan and Mara Revkin, "Egypt's Salafis Revert to Their Authoritarian Roots," *Foreign Policy,* November 5, 2012, accessed April 5, 2014, http://mideast.foreignpolicy.com/posts/2012/11/05/egypt_s_salafis_revert_to_their_authoritarian_roots.

[138] "President Morsi and Copt Christians' Rights," YouTube, 3:50, Christian-Dogma.CoM, June 28, 2012, http://www.youtube.com/watch?v=BCBhPcC2__M.

[139] "Mohammed Morsi and Sobhi Salah Not to Practice Sharia Law," YouTube video, 4:08, Abdallah Halabi, accessed July 11, 2014, https://www.youtube.com/watch?v=fOx2lW3Xsgk.

[140] Samaan, "Egypt's Salafis Revert to Their Authoritarian Roots."

they could work together for a common cause. However, after winning 72% of the seats in the 2011 People's Assembly elections, the alliance with the Salafis was deemed to present challenges to the MB. While, the MB tried to sooth the fears of liberals about domination by Islamists by emphasizing tolerance and pluralism, the Salafis demonstrated transparency by implementing Islamic rules regarding "banking, alcohol, and women's dress or entertainment."[141] The MB was aware that the rise of the Salafis to power would alarm many secularists and Christian Copts. The friction between the two groups escalated when President Morsi dismissed one of his advisors from the Nour Party, Khaled Alam Eldin, after allegation of abusing his power in office.[142] This incident was only one indication of the bitter struggle for power between the MB and the Salafists, in which each group tried to amass the maximum power in the absence of political competition.

While many non-Islamist parties renounced political participation, the Salafists comprised the only political body left to check the MB's overreach for power. The Salafists took this opportunity to further their demand for drafting the constitution to reflect their vision of the Islamic state, particularly through Article 2, which states, "Principles of Islamic law are the main source of legislation."[143] Salafists sought to change the wording of "principles" to "rulings," which became a point of friction between Islamists and non-Islamists and made difficult the position of the MB as mediator between the ultraconservative Salafis and non-Islamist opponents. According to Khalil Anani, an expert on Islamist movements, "Islamists are conservative in revolutionary times, exclusionary when it comes to collaboration, and authoritarian in the face of democracy."[144]

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[141] Kirkpatrick, "In Egypt, No Alliance with Ultraconservatives, Islamist Party Says."

[142]Abdel Rahman Youssef, "Egypt: Salafis and Muslim Brotherhood Part Ways," *AL Akhbar*, February 19, 2013, http://english.al-akhbar.com/node/15018.

[143] Mara Kevkin and Magdy Samaan, "Egypt's Salafis Revert to their Authoritarian Roots," *The Middle East Channel*, November 5, 2012, accessed April 5, 2014, http://mideastafrica.foreignpolicy.com/posts/2012/11/05/egypt_s_salafis_revert_to_their_authoritarian_roots.

[144] Ibid.

The Salafists resented the way that the MB treated them and tried to contain them from reaching for more power. The MB wanted the Salafists to take its side regardless of their vision, disregarding their own power aspirations, "We hate being followers," the Salafi al Nour party said.[145] The MB used the Salafists to survive the pressure of unsatisfied Egyptians protesting on the streets and demanding the overthrow of President Morsi. The common cause alliance that brought the two groups together came to an end when the al-Nour party joined secularists to ally with the National Salvation Front.

This crisis between the MB and the Salafists projects a new perspective on the two Islamic groups regarding their political strategies, and their unwillingness to strengthen their alliance. It was neither religion nor ideology that separated them; rather, it was their both overreaching for power that ended up dividing them.[146] If their main concern was about ideology, then it would have been more logical for the Salafists to stick with the MB and trade its support for some consensus about implementing Sharia law. The Salafists realized that they could further their influence and achieve extra political power by eliminating the MB. During that time the MB was dealing with the Salafists from a weak position. Yielding to Salafists would only give non-Islamists another reason not to collaborate with the MB. In both cases, the MB satisfied neither the Salafists nor non-Islamists.[147]

4. Discrimination against Coptic Christians

Over many years Coptic Christians had expressed their concerns about discrimination and the Egyptian government's failure to guarantee their rights as equal citizens. Therefore, Coptic Christians participated in the January 2011 revolution and the protests in June 2013, which resulted in ending both Mubarak and Morsi's regimes. Early in the January 2011 revolution, Egyptian Copts saw an opportunity to make a change to

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[145] Tamim Elyan and Muhammad al-Yamani, "Egypt Salafis Want no Pact with Muslim Brotherhood," *Al Arabia News*, December 04, 2011, http://www.alarabiya.net/articles/2011/12/04/180834.html.

[146] Khalil al-Anani, "The Salafi-Brotherhood Feud in Egypt," *Al Monitor*, February 21, 2013, http://www.al-monitor.com/pulse/originals/2013/02/muslim-brotherhood-salafist-feud-in-egypt.html#ixzz2y2ek14Ot.

[147] Wright, "Don't Fear all Islamists, Fear Salafis."

social inequality and the mistreatment of Copts by integrating Coptic political members into the ranks of the FJP. Early in the transition, the formation of the FJP sent a message of the MB's ability to be inclusive and sympathetic toward its rivals, as well as its commitment to democracy. As Islamists dominated the parliamentary and presidential elections, the Copts became worried that Egypt would turn into an Islamic state similar to Iran, in which religious minority rights would be disregarded, even after Morsi met with many of Egypt's church leaders assuring their safety under the MB regime.[148] Morsi claimed his intention to serve as a "president to all Egyptians," regardless of religious and political orientation.[149] Christian Copts mainly feared the influence of the Salafis to implement strict Sharia law that would lower Christians, as well as other religious minorities, to second and third class Egyptian citizens. Like the secularists', the Christian debate was about the constituent assembly and the alteration of article 2 of the constitution, which would lead to further division of the Egyptian society.[150] The issue of discrimination and attacks against Coptic Christians was not new during the 18 months of the MB rule, but the attacks on their persons, properties, and sanctuaries only escalated. Also, Copts continued to be underrepresented in key government and security positions.[151]

One month before Morsi's overthrow by the military, Coptic Christians reported at least six attacks on churches and Coptic buildings in Aswan, Beni Suef, Cairo, and Fayoum. The government failed to take any action or initiate any investigations in order to halt these attacks against the Coptic community.[152] From fear of the escalation of oppression by Islamists, many Coptic Christians made plans to emigrate. The situation worsened between Morsi's government and the Coptic community when the Netherlands responded to the Coptic struggle and offered to provide political asylum to Egyptian

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[148] Leckie, "The Muslim Brotherhood and the Perception of Democracy," 71.

[149]The Arab American News, "Coptic Christians Wary of Future under the Muslim Brotherhood." Leadership" *Arab American News*, September 22, 2012, http://www.arabamericannews.com/news/index.php?mod=article&cat=ArabWorld&article=5970.

[150] Leckie, "The Muslim Brotherhood and the Perception of Democracy," 72.

[151] "How Long are We Going to Live in this Injustice?" Amnesty International, October 2013, 4.

[152] Ibid., 5.

Copts.[153] Finally, when the Christian Copts joined the June 2013 revolution to oust President Morsi, they came to a consensus that neither Morsi nor any Islamist leader would help the cause of Christian Copts or maintain harmony among those of the various Egyptian religious and cultural backgrounds. President Morsi failed to commit to his promises to the Christian Copts and name a Christian as one of his vice presidents when he won the election. Youssef Hamza said, "His cabinet includes a single Christian, a woman and his only Christian adviser has quit the panel tasked with drafting a new constitution in protest over Islamist domination of the process."[154]

The issue between Egyptian Muslims and the Coptic minority is a reoccurring struggle that will not end until the government takes an assertive measure in dealing with sectarian conflicts. The government failed to address the root cause of the sectarian conflicts by following the traditional method of reconciliation and compensation for the victims without condemning the perpetrator, "the authority must go beyond rhetoric and political score-settling…investigations into the violence must be thorough impartial and independent," Youssef Sidhoum, expert in Coptic affairs, said. [155] Many Coptic Christians see the issue evident in the substance of the constitution, which puts Muslims and Islam above other religions and religious minorities. If the constitution addressed and guaranteed equality to all Egyptians, the religious discrimination would be irrelevant regardless of who was in power.

C.   CONCLUSION

From the beginning, major political actors of the Egyptian transition to democracy failed to compromise and form a political pact. Instead, they fell into the trap of mistrust and paved the way for the military to set the rules allowing it to gain its confidence and emerge as the only "savior" of Egypt. The timing of the parliamentary elections, the presidential election, and the drafting of the constitution were not the issues that divided the political parties and Egyptian society; rather, it was the lack of a broad consensus

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[153] "Coptic Christians Wary of Future under Muslim Brotherhood Leadership."

[154] Ibid.

[155] Ibid.

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among the elites on the rules of transition and clear procedures to allow the Egyptian people to express their demands that led to the failure of Egypt to establish a democracy. It is true that the MB gained enough power and should have shared some with the other political parties and that President Morsi over-reached for power and ruled by decree. However, oppositionists neither provided an alternative plan for transition nor articulated their own vision about the constitution's substance.[156] Instead, they complained and boycotted the drafting of the constitution. Decades of authoritarian regimes left non-Islamists without a clear vision or alternative to overcome their discontent. They cheered the military and reached out to the courts to settle their issues, leaving no room for political competition.

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[156] Brown, "Egypt's Failed Transition," 47.

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IV. INTERNATIONAL INFLUENCES ON DEMOCRATIC TRANSITION

A. AN OVERVIEW

It is only within the last two decades that political scientists have begun paying close attention to the external factors affecting developing democracies—before then, they emphasized domestic factors as the drivers to democracy.[157] The international approach emphasizes the presence of global and regional democratic powers, economic interdependence, and how international organizations could contribute to a smooth democratic transition.[158] There are two methods of international influence: leverage and linkage. Leverage is when a state uses its power to encourage or discourage another state during its democratic transition. Linkage is when a political movement is tied to the particular ideas and institutions of another state.[159]

Individual states could intervene in a democratic transition by imposing conditions called "democratic conditionality."[160] This intervention involves persuasion of a particular country by granting it tangible or intangible benefits to protect democracy, such as financial support, trade or market access, security guarantees, and membership in desirable organizations. Also, this conditionality includes the threat of sanctions, such as withholding some benefits the government enjoys. Conditionality practice is the newest weapon employed by external forces and occurs when the international community can impose conditions directly on a government. Based on the cost-benefit of the reward or

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[157] Magen Amichia, "Evaluating External Influence on Democratic Development: Transition," Center on Democracy, Development, and the Rule of Law, 14–5,
http://cddrl.stanford.edu/search/?center=cddrl&query=evaluating+internatioanl+influence+on+democratic+development&pquery=&aquery=&nquery=&advston=&doctype=&page=1&order=.

[158] Philip C. Schmitter, "The International Context of Contemporary Democratization," *Stanford Journal of International Affairs* 2, no. 01 (1993): 1–34.

[159] Steven Levitsky and Lucan A. Way, "Linkage and Leverage: How Do International Factors Change Domestic Balances of Power?" In *Electoral* Authoritarianism*: The Dynamic of Unfree Competition*, ed. Andreas Schedler, (Bouldeer, CO: Lynne Rienner Publishers, 2006), 201.

[160] Michael McFaul, Amichai Magen, and Kathryn Stoner-Weiss, "Evaluating International Influences on Democratic Development," Center on Democracy, Development, and the Rule of Law,
http://cddrl.stanford.edu/search/?center=cddrl&query=evaluating+internatioanl+influence+on+democratic+development&pquery=&aquery=&nquery=&advston=&doctype=&page=1&order=.

sanction, ideally the targeted government will change its position and comply with the international community—this is the top-down approach. The bottom up approach is when the international community empowers domestic actors and by-passes the existing government. By doing so, international influence shifts the domestic political power in favor of reformists by strengthening their bargaining power.[161] The cost-benefit that a state must factor to weigh the consequences of its actions are shaped by:

1.   the size of its adoption/compliance costs in the domestic system

2.   the size and speed of rewards (or punishments)

3.   the credibility of threats and promises

4.   the determinacy of the conditions imposed[162]

In the case of Portugal's democratic transition, European countries provided economic incentives during its transition and promised it a membership in the European Community (EC) if democracy were consolidated.[163] Also, many of the successful democratic transitions in sub-Saharan Africa were influenced by economic sanctions.

Beyond the role of the international community in imposing or inhibiting democratic change, linkage between international agents and domestic actors is another form of external influence. States are connected to each other through economic, geopolitical, and social ties, as well as transnational civil society associations.[164] The stronger the ties between a country and democratic external actors are, the better its chance of democratic development is.[165] Inversely, weak economic, political, institutional, and social ties with democratic states will hamper a country's democratic change. This concept of linkages allows the integration of newly democratic states into the regional/global political, economic, and security community. For instance, economic and political ties between Eastern and Western European states allowed many of the

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[161] Ibid.

[162] McFaul, "Evaluating International Influences on Democratic Development."

[163] Jose M. Magone, *European Portugal*: *The Difficult Road to Sustainable Democracy* (New York, NY: St. Martin's Press, 1997), 14.

[164] Levitsky, "Linkage and Leverage: How Do International Factors Change Domestic Balances of Power?" 201–02.

[165] McFaul, "Evaluating International Influences on Democratic Development."

Eastern European states to enter the European Union (EU), NATO, and Council of Europe.[166] While integration by democratic states fosters democracy, integration by anti-democratic states prevents democratization. In many countries, because of their locations, political, economic, social, and security ties with authoritarian states prevent them risking developed ties to switch regimes.

International socialization is another form of linkage and external influence supported by the constructive theorists. While the incentives of leverage, economic interdependence, and ties with transnational organizations are focused on material factors, socialization emphasizes the role of ideas and identities in developing democratic behaviors within a society. The ideational factor can have deeper effects on state more than materialistic power. Once a society begins to embrace democratic ideas and its identity supports democratic norms, democracy is more likely to be embraced and succeed. Society sympathizes with honest brokers of democracy. The way democratic actors perceive external actors could motivate or discourage democratic transition. This point is crucial. If the former is seen as "one of us" and a legitimate actor, the idea of democracy will be more receptive to the local government. This implies that actors react to the interests of and adopt the identity of communities that they see themselves close to. Similarly, the cultural and geographical proximity to a democratic community also inspires countries to evolve toward democracy more easily than countries neighboring autocratic communities.

For countries in proximity to an autocratic community, external incentives will probably not be enough. In these cases, international actors have to engage in dialogue with the government and political parties, provide training and cultural exchange. These are some of the issues and challenges for a state that is new to democracy and geographically isolated from the democratic community. The challenge also arises when a neighboring country experiences a failed or uncertain transition. Hence, there will not be a model to import that can provide confidence of a successful transition.

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[166] Ibid.

Countries and international organizations use their leverages and linkages to influence and ensure the success of democratic transition. The geographical and cultural proximity to a democratic or an autocratic community may encourage or discourage the transition.

B. THE HOSTILITY OF THE GULF STATES TOWARD DEMOCRACY IN EGYPT AND LIMITED SUPPORT FROM THE INTERNATIONAL COMMUNITY

The social inequality and economic crisis that Egypt has experienced since 2008 were, without a doubt, the most significant factors that mobilized Egyptians to demand the overthrow of Mubarak. Many observers emphasize the importance of international and regional communities' involvement in promoting economic and social conditions in Egypt for a successful transition to democracy. However, in the case of Egypt, the international community fell short in its commitment to democracy. On one hand, the lack of security and compromise among political stakeholders impeded the U.S. and European Union from providing the necessary help for Egypt during this transition. This occurred alongside the rise of resentment toward the U.S., and the desire of Egyptians to distance themselves from outsiders. Mubarak's foreign policy served the U.S.'s interests in the region but left bitter sentiments among Egyptians toward Westerners. On the other hand, the Gulf Cooperation Council (GCC) states opposed democracy and demonstrated their counter-revolutionary abilities to contain the spread of democracy. Under Mubarak's rule, Egypt was the largest recipient of GCC financial assistance. Except for Qatar, the Gulf countries cut their assistance to Egypt once the MB came to power. Gulf financial aid resumed after the ousting of Morsi.

This chapter analyzes how the limited support from the U.S. and the EU and how hostility of the Gulf States toward democracy created an environment unconducive to democracy within Egypt during the MB. The chapter is divided into two sections. The first section analyzes the relationship between the GCC states and Egypt after January 25, 2011, and how the Saudis, Kuwaitis and Emiratis worked to sabotage the MB once they were convinced that their interests conflicted with those of the MB. The second section discusses how the U.S.'s shifted interests in the region limited support by the U.S. and

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reduced its influence on Egypt's military as well as on the GCC states to promote democracy in Egypt.

1.   The Hostility of the Gulf States toward Democracy

On many fronts, the transition to democracy for the Middle East, especially Egypt, may have been more challenging than any other democratic transition in the world. In addition to the socioeconomic preconditions and lack of stakeholders' commitment to democracy, the region faced the challenge of the Gulf monarchies' resentment to democracy. The Gulf countries view democracy and the emergence of the Islamists' new political powers as a threat to their monarchies. Saudi Arabia, the United Arab Emirates (UAE), Kuwait, Bahrain, and Oman clearly want to contain the spread of democracy. This becomes apparent when it is seen that the majority of the countries in the region either fail their transitions to democracy or have uncertain transitions. These failures concerned many Egyptians about the risk of economic stagnation or civil war. The examples of Syria, Sudan, Lebanon, and Yemen are the regional democratic experiences that Egyptians had of democracy. Even the example of Tunisia's transition was unclear and failed to motivate Egyptians to push further toward democracy. This section of the thesis argues that pressure from the Gulf States and the regional experiences with democracy prevented the success of the democratic transition under the MB rule.

With the exception of Qatar, the Gulf States saw the Arab Spring as a threat to the existence of their monarchies. On January 14, 2011, when Tunisia's former President Ben Ali was forced to leave after social upheaval and two weeks of continuous protests, the Saudis provided a home for him and refused to surrender him to Tunisian authority. Once the protests in Egypt reached a tipping point, the Saudis supported Mubarak's regime until the last minute and criticized the Obama administration for not backing up its strong allies. These reactions from Saudi Arabia were in line with the king's intention to protect the al-Saud monarchy and its status-quo as the regional power. The reaction of Saudi Arabia to the mass demonstrations in Bahrain is another illustration of the relationship of regional monarchies to the Arab Spring. On March 14, 2011, the GCC

sent 1,500 military and police forces to Bahrain to quash the opposition there.[167] Without Saudi intervention, King Khalifa of Bahrain would have been subject to the same fate as Mubarak and Ben Ali.

The quasi-political liberalization in Bahrain and Kuwait presented political challenges for these two monarchies when they permitted parliamentarian elections. Bahrain experienced mass protests challenging the regime during the Arab Spring. The Sunni minority ruling monarchy was challenged by both the majority Shiites and Sunnis. In Kuwait, the challenge the monarchy faced was from the Sunnis; however, its politics were not yet polarized since the minority Shiites still supported the regime. In both countries, the demand of the protesters was to allow the parliaments to rule the country, not the ruling families. This political awakening became a dilemma facing the monarch rulers.[168] A compromise allowing the elected parliaments to rule the country would create a conflict of interests requiring the ruling families to reduce their political power and jeopardize the existence of the monarchies entirely, "The initiation from both Bahraini and Kuwaiti rulers for political reforms on the table for discussion is an indication of the potential fate of Gulf monarchical reformers."[169] The Gulf States first responded to the challenge of the Arab Spring with oppression. Then they used their oil money to calm their unhappy citizens. Most GCC countries raised the salaries of their state employees, created new government jobs and welfare benefits, and some states, such as Kuwait, even distributed cash money to its citizens.[170]

The Arab Spring was an illustration to the GCC states, especially Saudi Arabia, that the West and the U.S. are not reliable allies when their monarchies are in jeopardy, especially when challenges come from their own citizens. But, Arab monarchies can rely on each other for survivability. The intervention of GCC military forces in Bahrain is a good illustration, "outside allies cannot by themselves save a monarch, as the Shah of

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[167] Sean L. Yom and Gregory Gause, "Resilient Royals: How Arab Monarchies Hang on," *Journal of Democracy* 23, no. 4 (2012): 81.

[168] Gregory F. Gause, "Kings for all Seasons: How the Middle East's Monarchies Survived the Arab Spring," *Brookings Doha Center Analysis*, no. 8 (2013, September): 20.

[169] Ibid., 23.

[170] Ibid., 25.

Iran discovered," Gause said.[171] The events in 2011 provided enough incentive for the GCC to avoid Iran's fate of 1979 to form an alliance against foreigners as well as their own citizens. Hence the GCC, with the lead of Saudi Arabia, Kuwait, and the UAE provided a $420 billion financial fund to their less economically prosperous monarchies and extended invitations to Morocco and Jordan to join the GCC.[172]

The GCC states' reactions to the Arab Spring are an illustration of the feared threat of democracy to their monarchies. They are concerned that Islamists in their own countries would be influenced by the political success achieved by Islamists in other Middle Eastern countries on one hand and that the MB would export its model to other GCC states, on the other hand. The success of the Salafi al-Nour Party in Egypt in parliamentary elections, winning almost 25 percent of the seats triggered questions among the Saudis about their own Salafi politicians. It is no longer inconceivable that the Saudi Salafis will demand a political role and become more critical of the ruling family. Before the 2011 Arab revolutions, the Salafis were not politically active and appeared satisfied with their da'wa and religious calls.[173] Moreover, they advocated political quietism, prohibiting political participation and uprising against their rulers, regardless of how unjust they were.[174] But the democracy supported by the Islamists, following the 2011 revolutions, brought with it a new ideology and interpretation of the role of Salafis in the political arena. Even though Salafi Saudis are not yet involved in domestic politics, they have demonstrated their share of discontent toward the monarchy and have begun demanding political representation in a free elected parliament. The most important Salafi Saudi activist is Salman al-Awda, who supported the Egyptian uprising while the Saudi royals backed Mubarak. Al-Awda signed an online petition to elect a Saudi parliament in 2011.[175] This ideological shift among Salafis is a threat to the monarchies, especially the

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[171] Ibid., 27.

[172] Ibid., 27.

[173] David D. Kirkpatrick, "In Egypt, No Alliance with Ultraconservatives, Islamist Party Says," *The New York Times*, December 1, 2011, https://hydrablog.csusm.edu/2011/12/in-egypt-no-alliance-with-ultr.html.

[174] Jonathan Brown, "Salafis and Sufis in Egypt" (Washington, DC: Carnegie Endowment for International Peace, 2011), 3, http://carnegieendowment.org/files/salafis_sufis.pdf.

[175] Gause, "Kings for all Seasons: How the Middle East's Monarchies Survived the Arab Spring," 29.

al-Saud family, which has made Salafi Islam the official religion of the monarchy. In Kuwait, many of the opposition are Salafis.[176]

In addition to the ideological shift and the challenges presented by the Salafis, the GCC states are threatened by the MB exporting its successful model to the rest of the region to possibly influence foreign policies that could shift the regional balance of power. The relationship between the MB and the GCC States was not warm from the beginning, especially when the Saudis criticized the U.S. for not supporting Mubarak and then sheltered many of his loyal followers. Under Mubarak, Saudi Arabia regarded Egypt as its strongest ally in the region, and a balance to the Iranian threat. The GCC states were not certain that President Morsi would maintain the same relationship as his predecessor. The GCC hoped that Morsi would honor the status quo policies of the region and would not interfere in the Gulf states' internal affairs, that he would cooperate with the GCC regarding regional security, including supporting the GCC's concern about the Iranian nuclear program.[177] However, after the revolution, the Saudis had little confidence in Morsi's intention to maintain Egypt's commitment to the monarchies. At the beginning of the revolution Saudi Arabia and the UAE promised Egypt financial aid of $7.25 billion but only delivered $500 million before they became suspicious of the MB's unclear intentions.[178] The relationship between Egypt and the GCC states turned sour, and neither hid its resentment toward the other. Contrary to Mubarak, Morsi wanted to pursue diversified foreign policies that were different from his predecessor's. Morsi wanted to restore Egypt's regional power and influence, which had been lost during Mubarak's time. He aimed to establish diversified economic relations with the whole region not only limited cooperation with the Gulf States. Morsi wanted to build a new economic relationship with Iran and strengthen the Turkish one. Moreover, Morsi believed the confrontation between Saudi Arabia and Iran created instability and sectarian division. According to Paul Salem, Morsi believed that he could mediate

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[176] Ibid.

[177] Eman Ragab et al., "The GCC in the Mediterranean in Light of the Arab Spring," The German Marshall Fund of the United States, Washington, DC (2012), 16, http://www.iai.it/pdf/mediterraneo/gmf-iai/mediterranean-paper_20.pdf.

[178] Ibid.

between Saudi Arabia and Iran, and that he could bring the "big four" countries in the region (Iran, Saudi Arabia, Turkey, and Egypt) to the table to settle their differences and end regional crises, such as the ones in Syria and Iraq.[179] "Morsi is correct in proposing that Arab-Turkish-Iranian relations should be based on communication, negotiation, and attempted cooperation, not on continuous isolation and confrontation," Salem said.[180]

This rapprochement with Iran was interpreted by the Saudis as a warming to Iran and a threat to the GCC states. The GCC states began seeing the MB as a danger to the monarchies and the spread of its ideology as an intimidation to their regimes. With the exception of Qatar, the GCC states heightened their alerts toward the MB, especially after the Chief of Dubai Police, Lieutenant-General Dhahi Khalfan Tamim discovered a MB plot to overthrow the Arab monarchies by 2016, starting with Kuwait in 2013.[181] Emirati officials declared that the "MB does not recognize national boundaries and sovereign rulers, and is seeking to use local sympathizers, like the al-Islah NGO, to undermine the stability of the UAE."[182]

In addition to the GCC states' resentment of the Egyptian-Iranian relationship, the Egyptian-Turkish relationship also angered the Saudis. The two Islamic governments could encourage the new leaders and promoters of the Sunni Islamic branch and replace Saudi Arabia. After all, Turkey became a successful model that most Arab republic states wanted to emulate. This concern grew as both President Morsi and President Erdogan of Turkey showed support and sympathy to the Sunni-dominant states, rallying for the Palestinian cause and supporting Sunni rebels in Syria.[183]

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[179] Paul Salem, "Morsi Moves to Rebuild Egypt's Mideast Leadership Role," *Al Monitor*, October 5, 2012, http://carnegie-mec.org/2012/10/05/morsi-moves-to-rebuild-egypt-s-mideast-leadership-role.

[180] Ibid.

[181] Kristian C. Ulrichsen et al., "The GCC in the Mediterranean in Light of the Arab Spring," The German Marshall Fund of the United States, Washington, DC (2012), 25, http://www.iai.it/pdf/mediterraneo/gmf-iai/mediterranean-paper_20.pdf.

[182] Frederic Wehrey, "The Egypt-UAE Diplomatic Crisis," World Politics Review, January 17, 2013, http://carnegieeurope.eu/2013/01/17/egypt-uae-diplomatic-crisis/f2qj.

[183] Eman Ragab, "A Formative Stage: Relations between GCC and North African Countries after the Arab Spring," 19.

While Saudi Arabia, the UAE, and Kuwait saw the MB as a threat, Qatar saw the MB and the Arab Spring as an opportunity. Qatar's support was mainly to enhance and extend its economic interests in the region. In addition to the bailout loan provided to Egypt during Morsi's government, the Qatari support of Egypt was considered limited compared to the support offered to the Tunisian and Libyan governments during their political instability.[184] During the democratic transition under President Morsi, Qatar was accused by the GCC states of supporting the MB regime, which intensified the crisis between Qatar and the other GCC countries. With its *Al-Jazeera* satellite TV, Qatar supported the Egyptian uprising and the MB, which provoked the Arab monarch rulers. While acknowledging its intention to project its economic power, Saudi Arabia thought that Qatar's behavior was also a sign of a challenge to the monarchies and encouragement of an Islamist threat in the region. According to Gause, Qatar had dismissed its obligation to the GCC and overreached for power, "The Saudis have always thought the smaller Gulf States should just follow their lead on political issues."[185]

With the lead of Saudi Arabia, the GCC states were counter-revolutionary forces during the Arab Spring. The overthrow of Ben Ali and Mubarak and the success of Islamists in elections were signs of threats and challenges to the dynastic monarchies. The Islamists' newly developed ideology to govern and rise to power threatened the existence of the Arab monarchies' survivability. In the case of Egypt, the emergence of the MB as the new political power and President Morsi's intention to pursue foreign policies that were different from his predecessor's angered the Saudis, Emiratis, and Kuwaitis. Early in the revolution, while Saudi Arabia thought that President Morsi would not warm to Iran and Turkey at the expense of the Gulf States, President Morsi believed that Iran and Saudi Arabia should resolve their differences in order for stability in the region to reign. With a fear that the MB would export its ideology to the rest of the region and no longer concerned about losing Egypt as a potential ally, as it had been during Mubarak, the GCC states became firm believers that supporting the Egyptian military

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[184] Eman Ragab, "The GCC in the Mediterranean in Light of the Arab Spring," 16–7.

[185] Gregory F. Gause, "Why Saudi Arabia Loves the Egyptian Military," August 21, 2013, http://www.brookings.edu/research/interviews/2013/08/21-saudi-egypt-gause.

would be the best strategy to maintain the regional balance of power and the status quo. The Saudis, Kuwaitis, and Emiratis came to the rescue of Egypt with $12 billion dollars, soon after the overthrow of President Morsi. This is an indication of the GCC states' real intention to sabotage Morsi's government in its transition to democracy. David Rothkop claims that the GCC states viewed the MB as a threat; they wanted to contain it, and "They are also writing checks to cover Egyptian military arms purchases for which the United States has halted funding." [186]

The split of the Salafis al-Nour Party from the FJP to join the National Salvation Party, in support of the army, has more than one explanation. The dispute between the Salafis and the MB in the last days of Morsi's rule cannot be explained by the failure of these two Islamists parties to share power or the undemocratic behavior of President Morsi. While many MB opponents condemned the military actions against civilians and MB supporters, the Salafis praised the army, and declared that they had no objection to a Sisi presidency. Jonathan Brown wrote, "On August 16, as the worst of the crackdown was playing out, al-Nour and Salafi issued a joint declaration affirming their support for the Egyptian army. The party has expressed only mildest concern for the killing of civilians."[187] Many activists, including Mohammed el Baradei and other liberals, do not refuse the possibility that the al-Nour Party is funded and supported by Saudi Arabia— while the military runs the country, the Salafis will manage the religious institutions and teach a Saudi influenced Sunni Islam.[188]

While there is no concrete evidence supporting the idea of Saudi Arabia's involvement in shifting the Salafis' alliance from the MB to the military, this explanation is consistent with the intention of the Saudis to halt the threat of the MB and regain Egypt as its ally against the Iranian threat. Another explanation to the split between the MB and the Salafis is that the latter wanted to secure some relative power and avoid the military's brutality against Salafis. This possibility is less appealing. For one reason, the Salafis are

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[186] David Rothkopf, "Waiting in the Wings," Carnegie Endowment for International Peace, November 6, 2013, http://carnegieendowmnet.org/2013/11/06/waiting -in-wings/gt18.

[187] Jonathan Brown, "The Rise and Fall of the Salafi al-Nour Party in Egypt," *al-Jadaliyya*, November 14, 2013, http://www.jadaliyya.com/pages/index/15113/the-rise-and-fall-of-the-salafi-al-nour-party-in-e.

[188] Ibid.

safer in their alliance with the MB. Another reason is that the Salafis will get less support from non Islamists than from the MB to push their political agenda. Hence, no matter what the conflict between the MB and the Salafis, from the beginning of the revolution, they knew that it was in their interests to stay united against an authoritarian regime and secularists.

This analysis of the GCC states' view of democracy and how they reacted to the popular uprising during the Arab Spring, illustrates the hostility of regional powers toward Egypt's democratic transition. Contrary to the countries of Eastern Europe, democracy in Arab states is unwelcome by the region. The circumstances in which democracy occurred in Eastern Europe were more favorable; the fall of communism signaled that authoritarian regimes would not return, and proximity to the rest of Europe and desire for integration into the EU required democratization. In the model of Egypt, Saudi Arabia opposed democratic reform in order to support its monarchy. Unlike the Soviet Union, which did not oppose democracy in Eastern European countries, Saudi Arabia exerted a counter pressure during the Arab Spring on Syria, Egypt, Yemen, and Bahrain. Moreover, the prospect for Eastern European countries to join the EU and NATO contributed to the success of their transition to democracy. Such regional institutions that promote democracy are absent from the Middle East, which leaves most countries in the region to struggle with their transitions. While Western European countries provided hope to Eastern European countries that democracy would succeed, Egyptians were not certain about their path. The difficulty of the Tunisian transition, with the assassination of two political leaders and the changing of the government three times in the last two years, and the emergence of terrorist groups, made many Egyptians feel nostalgic for the authoritarian regime. Finally, the Algerian democratic experience in 1991, which ended in a military coup, and Iraq's ethnic divisions after the fall of Saddam are illustrations of the struggle and unlikelihood of democratic transitions in the Middle East.

2.   Lack of Support from the International Community

While European, Asian, and Latin American countries consolidated democracy as a result of enormous support from the U.S., the U.S. showed less commitment toward Egypt in its transition to democracy. The U.S. lost interest in the Middle East and delegated responsibility to regional actors.189 Taking into consideration the legacy of authoritarian regimes in the region and the fear of democracy by the GCC states, it can be concluded that the failure of transition to democracy was not a surprise. The lack of support from the international community, especially the U.S., left the Egyptian transition to democracy, under the MB regime, an inevitable failure. In this section, the thesis will not argue what the international community did, but what it did not do. I will address the failure of the U.S. to reconcile political stake holders, the failure of the U.S. and the EU to enforce civil society organizations (CSO), and finally, the failure of the U.S. to exert its leverage to push for a democratic transition in Egypt.

The main problem for Morsi's government during its transition to democracy was a lack of compromise and commitment to democracy from all political parties. The polarization during the last 18 months of the MB regime can be explained by the legacy of the authoritarian regimes that preceded the revolution and the lack of experience of the political actors to manage their differences in a democratic environment. Early in this stage of the transition, an international intervention from democratic advocate countries might have prevented Egypt from falling into a trap of polarization. The U.S. and EU failed to intervene as mediators between Islamists and secularists. As discussed in the previous chapter, Egypt lacked its own road map and secularists failed to provide a better alternative on many issues. Instead, they left the negotiation table. The U.S. and EU could have brought all the actors together and emphasized the importance of following a road map to keep them united against an authoritarian regime. Egypt's new experience with democracy made political actors fear each other. They treated democracy as a zero sum game where the gain of one party was considered a loss for the other, which made negotiations impossible. Instead, democracy does not guarantee that a party will get what

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189 Laurel E. Miller and Jeffery Martini, *Building Democracy on the Ashes of Authoritarianism in the Arab World: Workshop Summary* (Santa Monica, CA: Rand National Defense Institute, 2013), 6.

it wants. In most cases, political actors have to compromise to receive their second or third choice. However, democracy will guarantee the losers a chance to come back in the next rounds.

Political actors in Egypt thought that they could manage this transition on their own, but they underestimated the power of the military. They faced their transition with little democratic behavior, and whenever an actor felt that he was losing, he took sides with the military. Moreover, the U.S. failed to address the issue of the military's involvement in domestic politics. The U.S. could have at least played a minimal role and provided politicians with an opportunity to negotiate and settle their issues. In the case of Egypt, the military set the road map, drafted a constitution that suited its interests, and established the requirements for who would write the constitution. These issues could have been avoided if the political actors had set their own road map, visualized how power should be shared, and agreed on their own election dates without military intervention.

The challenge that obstructed the U.S. and the EU from intervening was that Egyptians were reluctant to accept foreign intervention in their domestic affairs. Many citizens thought such interference would have undermined the democratic transition. The *Al-Akhbar* newspaper reported that the rise in anti-American sentiment prevented Egyptian actors from reaching an alliance with their U.S. counterparts, "Egypt refuses advice of the American Satan."[190] While this was true, having a neutral international actor as a mediator would have been beneficial for Egypt, to help it make sure that decisions were generated by its own politicians and that they were sticking to their road map. A successful intervention could have been induced by material incentives, such as economic and financial support that Egypt needed during its transition. Without such material incentives, the U.S. failed to support the transition to democracy in Egypt. According to Danya Greenfield and Amy Hawthorn, U.S. and EU rhetoric exceeded what really could have been achieved in supporting the democratic transition in Egypt, Tunis,

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[190] "Masr tarfud maw'idhat al-shaytan al-Amriki (Egypt refuses advice of the American Satan)," *Al-Akhbar*, August 8, 2013, https://twitter.com/shadihamid/status/365875460602736642.

and Libya.[191] Economic aid to Egypt needed to be more than the U.S. had already promised before the revolution. The support of trade and investment was conditioned by the country's ability to stabilize its economy. The failure to fulfill its financial promise was an indication of the U.S.'s uncertainty of Egyptian democracy under MB rule, especially following the security chaos that the Middle East region had been experiencing since the beginning of the Arab Spring. Hawthorn argued:

> President Obama's speech to the UN General Assembly was a corrective to his 2011 speech in which he stated that the U.S. would support these transitioning countries economically, militarily, and diplomatically. In his UN speech Tuesday, President Obama instead stated that the U.S. is supportive of these transitions, but that they are no longer America's top priority in the region.[192]

The U.S.'s actions and commitment to democracy in Egypt is influenced by the security in the region and the lack of support from Gulf countries of democracy.

The new foreign policy of the U.S. provides an explanation of its lack of support for democracy in Egypt and the Middle East in general. The U.S. is balancing regional power by using the "buck passing" method, which consists of letting regional powers do the heavy lifting.[193] This became clear during the recent regional crisis. European Union members handled the Crimea crisis without heavy intervention from the U.S. Also, during the Syrian crisis, the U.S. allowed Russia to settle the issue of chemical weapons. However, in the case of Egypt, letting the transition to democracy be handled by the regional power, Saudi Arabia became a conflict of interest—it was not in the interest of Saudi Arabia to see a democratic Egypt. Also, the U.S.'s involvement in Iraq and Afghanistan influenced its desire not to be involved in the Egyptian democratic transition. Many American politicians still believe that Iraq and Afghanistan are not

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[191] "Assessing US and EU Trends to Support the Arab Transitions" Project on Middle East Democracy, September 25, 2013, http://pomed.org/blog-post/international-bodies/eu/pomed-notes-assessing-us-and-eu-trends-to-support-the-arab-transitions/.

[192] Ibid.

[193] David Rothkopf, "Waiting in the Wings," Carnegie Endowment for International Peace, November 6, 2013, http://carnegieendowmnet.org/2013/11/06/waiting -in-wings/gt18.

better off than before the U.S. invaded them, and that the U.S. should not act unilaterally on behalf of democracy in the region.[194]

International involvement in promoting democratic institutions was deemed by Egypt to be too vested in its domestic policies. This issue continues today; however, the international community should enter into serious dialogue with the Egyptian government about the importance of democratic institutions' roles in promoting justice and democracy.

In addition to the lack of willingness by the international community to mediate among Egypt's political actors, it also failed to promote democratic institutions in Egypt. The international community failed to convince the Egyptian government about the importance of CSOs in promoting justice and democracy. Even before the overthrow of Mubarak, the military and security forces undermined foreign organizations that were trying to promote Egyptian civil society. The Egyptian government implemented a law restricting the practice of local and international NGOs. American NGOs operating in Egypt found how hard it was for these organizations to function freely in Egypt. Egyptian law limited NGO funding as well as hampered them with an unclear legal process. For instance, in December 2011, security forces attacked 10 CSO offices and accused them of receiving illegal foreign financing and not having proper licenses to operate in Egypt. Also in June 2013, an Egyptian court sentenced 34 CSO activists, including several Americans, and the government cancelled their operations in Egypt.[195] In *Update: The Campaign against NGOs in Egypt*, it was reported that "Egypt continues to violate freedom of expression, association, religion, and due process of law."[196] The NGO organizations played an important role during the last election and supported Egypt's transition toward democracy by monitoring the 2011 parliamentary election. Clear law and free practice for NGOs without suppression and intimidation from the police and

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[194] Kenneth M. Pollack, "Iraq Faces the Bring Again," *Current History* 112, no. 758 (2013), 349, http://www.currenthistory.com/Article.php?ID=1101.

[195] Hafez Ghanem, "Egypt Difficult Transition: Why the International Community Must Stay Economically Engaged," Global Economy and Development (2014, January), 35.

[196] "Update: The Campaign against NGOs in Egypt," POMED, March 16, 2012, http://pomed.org/wordpress/wp-content/uploads/2012/03/Egypt-NGO-Backgrounder-II.pdf.

government security agents will contribute to promoting awareness among the Egyptian people about elections, voting, and their importance as active citizens in building a civil society through which Egyptians can freely organize and communicate with their government. Egypt and the Middle-East, in general, are lacking civil organizations as a result of the authoritarian regimes that have dominated the region. To guarantee a democratic transition, a government needs to encourage its citizens, without any restrictions, to establish human rights and religious organizations, youth movements, and minority representation in order to strengthen democratic institutions.

Other institutions that Egypt is lacking for its democracy are inclusive economic institutions. Over the past four decades, Egypt has failed to establish enough of these types of institutions. In this most recent transition period, neither the transitional government nor Morsi's government prioritized these institutions. Many international institutions were established to promote and support small businesses. Only with these small businesses can Egypt escape its economic crisis, since 40 percent of Egyptians depend on this sector.[197] The goal of these inclusive institutions is to train and provide resources to owners of small businesses in order to become efficient and compete on an international level.[198]

Many international institutions are operating in Egypt; however, their efforts to promote democracy and operate freely have been resisted by the Egyptian government. With these institutions, citizens can be empowered to hold the government accountable by voicing their demands. With the promotion of small businesses, Egypt could bring back its middle class and ideally achieve equal distribution of wealth. The international community should stay engaged with the government of Egypt to help promote international institutions so that Egypt is less likely to put restrictions on their activities or accuse them of meddling in Egypt's domestic affairs.

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[197] Paul Rivlin, "Egyptian's Economy after the Election," Tel Aviv University, *Middle East Economy* 1, no. 8 (2011): 3.

[198] Hafez Ghanem, "Egypt Difficult Transition: Why the International Community Must Stay Economically Engaged," Global Economy and Development (January 2014), 28–32.

It was clear during Egypt's attempted democratic transition that the U.S. limited its support because of Egypt's reluctance toward foreign intervention or because of the GCC states' intolerance of democracy. The U.S. did not use all possible leverage at its disposal to help democracy take place during Morsi's government. The U.S. military has built strong ties with its Egyptian counterpart. American and Egyptian officers' have conducted joint exercises, war games, and training. Many Egyptian officers have attended military schools in the U.S. These events have allowed military officers from both countries to establish personal connections. According to Hamid and Mandaville, "Egypt's generals feel that proximity to U.S. generals generates a kind of honor and respectability."[199] This relationship was built over decades. For Egyptians to turn their backs on the savoir faire, ties, aid, and commitment from the U.S., to look for other "patrons" would be time consuming, costly, and not worth the risk if they are convinced that the U.S. is the most powerful and advanced military in the world. This is leverage that the U.S. could have used against the army and security forces to stop repressing Egyptian citizens.

The second kind of leverage that the U.S. could have used was a U.S. intervention on behalf of Egypt to receive a better deal from the IMF. This was possible because the U.S. has the largest voting rights on the IMF's board. The IMF's conditional loan to implement fiscal and budgetary reforms as well as removing subsidies only angered Egyptian citizens and turned them against their government. The U.S. could have mediated for less restrictive loan conditions and facilitated additional loans from other national donors. While the GCC states were reluctant to provide financial support to Morsi's government, the U.S. could have pressured them to cooperate. Saudi Arabia, Kuwait, Qatar, and the UAE depend on the U.S. for their security. The U.S. could have influenced them to support Egypt during its transition. However, the U.S. was satisfied with its relationship with Egypt based only on security. By using military leverage, mediating for financial aid, and pressuring the GCC states to support democracy, the U.S.

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[199] Shadi Hamid and Peter Mandaville, "A Coup Too Far: The Case for Reconsidering U.S. Priorities in Egypt," Brookings Doha Center, September 2013, 5, http://www.brookings.edu/~/media/research/files/papers/2013/09/05%20us%20priorities%20egypt%20hamid%20mandaville/us_egypt%20relations_english.pdf.

could have encouraged Egyptian politicians and international actors to enter into dialogue to achieve a compromise.

C.   CONCLUSION

The sabotage by the GCC states and limited support from the international community degraded Egypt's chance to succeed in its transition to democracy under the MB. On one hand, the Arab Spring and the success of Islamists in electoral polls was regarded as a threat by the GCC states to the survivability of their regimes. The Morsi government's new foreign policy and the Salafis new ideology to govern gave more reasons to Saudis, Kuwaitis, and Emiratis not to support the democratic transition in Egypt. The shift of U.S. policy and interest away from the region, and Egypt's reliance on powerful states within the region to resolve their own regional crises, limited Egypt's chance of success to transition. On the other hand, the Egyptians' resentment of foreign intervention in their domestic affairs and political polarization prevented the international community from providing full support to Egypt. The U.S. seemed unenthusiastic about the Egyptian transition to democracy and did not use all of its leverage to influence the Egyptian military and Saudi Arabia to support the transition. Rather, it was satisfied with a relationship based on security in the region, and it turned a blind eye to the actions of the Gulf States and the Egyptian military.

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V.   THE DEEP STATE AND DISSATISFIED ECONOMIC ELITE

Many observers, such as Roshdy, Brown, and Rugman, attribute the failure of democracy in Egypt to the incompetence of President Morsi's government.[200] However, many indications point to the deep state and business elites playing crucial roles in deposing President Morsi and interfering to block the democratic transition. Once Morsi won the presidential election, the deep state and business elite worked together to limit his power.[201] The army, police, media, and judiciary's actions during the transition to democracy were more committed to a secular state as their interests did not coincide with those of the Islamists'. The business elite foresaw that their economic objectives were contradicted by the Islamists' economic agenda, and they feared that they could lose the status they had achieved over the past three decades. Sharing the same objectives, the deep state and economic elite teamed up against the MB and blocked the transition to democracy.

From the start of Morsi's rule, the MB lacked support from the police, the army, the judiciary, and the press. Khaled Fahmy, a historian at the American University in Cairo said, "So they are in power, but they are actually not in power."[202] Moreover, the military stripped president Morsi of power as it disbanded the parliament after the Supreme Constitutional Court claimed the parliamentary elections invalid. The police, whose many of its leaders remained loyal to Mubarak, refused to support the MB to restore order and peace during a critical period of transition. Ben Hubbard reported,

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[200]Sally Roshdy, "Institutionalism: Egypt's Transition to Democracy," Muftah, last Modified March 1, 2014, http://muftah.org/institutionalism-in-egypts-transition-to-democracy; Jonathan Rugman, "Egypt: Democracy in the Balance," Chatham House, July 11, 2013; Nathan J. Brown, "Egypt's Failed Transition," *Journal of Democracy* 24, no. 4 (2013): 45–58, http://search.proquest.com/docview/1465268972?accountid=12702.

[201] Nur Laiq, *Talking to Arab Youth: Revolution and Counterrevolution in Egypt and Tunisia*, 44.

[202] Sarah Childress, "The Deep State: How Egypt's Shadow State Won Out," Frontline, September 17, 2013, accessed May 12, 2014, http://www.pbs.org/wgbh/pages/frontline/foreign-affairs-defense/egypt-in-crisis/the-deep-state-how-egypts-shadow-state-won-out/.

"During the one year of Morsi's rule, crime increased and traffic clogged roads—undermining not only the quality of life, but the economy—the police refused to deploy fully."[203]

The deep state interfered with sabotaging the MB to restore public order, enraging Egyptians against President Morsi's government. It stirred social unrest through manipulation of variety of resources that many of Mubarak's government remnants still controlled, such as energy and the security sectors. Electricity blackouts and fuel shortages caused many protestors to turn against the MB. A couple of days after Morsi's overthrow, electricity and fuel returned to normal, and the police returned to the streets to control protestors. According to Hubbard, in a few hours conditions in Egypt had improved, "Gas lines have disappeared, power cuts have stopped and the police have returned to the street."[204] In addition, the intelligence agency resumed operation, for the first time since Morsi had dissolved the agency for its inhumane conduct and repression under Mubarak's regime.[205] All these conspiracies against the MB would not have occurred without strong support from the state media. Since his election, the state media had heavily criticized President Morsi, and then presented Sisi as the savior of Egypt.

Business leaders worked with remnants of the Mubarak regime to bring down Morsi. For instance, Mr. Sawiris, the wealthiest man in Egypt and the founder of the Free Egypt Party, used his own visual and written media to support the Tamarrod movement that ousted President Morsi. Sawiris claimed that the movement did not know that he was one of the key drivers of the Tamorrod movement.[206]

This chapter will discuss the role and influence of the deep state and the economic elite in domestic and foreign affairs before and after President Morsi came to power, as well as their motivations in blocking the democratic transition.

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[203]Ben Hubbard and David D. Kirkpatrick, "Sudden Improvements in Egypt Suggest a Campaign to Undermine Morsi," *The New York Times*, July 10, 2013, http://www.nytimes.com/2013/07/11/world/middleeast/improvements-in-egypt-suggest-a-campaign-that-undermined-morsi.html?pagewanted=1&_r=2&.

[204] Ibid.

[205] Ibid.

[206] Ibid.

A.   THE DEEP STATE

This section focuses primarily on the military since it is the most dominant force within the deep state. This section provides a brief history of the emergence of the deep state in Egypt from the time of President Gamal Abdel Nasser until the overthrow of President Morsi. It reveals the events and explores the motivations for the deep state to obstruct the transition to democracy under MB rule. The thesis asserts that the military interfered with the path of democracy in an attempt to preserve its interests in Egypt.

Nasser created the foundation of the deep state, which consists of high ranking security officers and influential judges.[207] The ambition and strength of the military posed a challenge to Nasser and all of Egypt's subsequent presidents. Henceforth, over the last six decades, Nasser and his predecessors sought to reform the internal security services as a counterbalance to the growing ambition of the military. In 1967, President Nasser removed his opponent Field Marshal Abd al Hakim, who continuously challenged the president through his control of the military.[208] After Nasser's death, his successor, Anwar Sadat, faced similar challenges from Egyptian generals. President Sadat's challenge to the military might have cost him his life: "President Sadat may have in fact been assassinated as a result of retribution by the officer corps for his removal of its leading generals," Robert Springborg suspected.[209] Sadat's political agenda in the 1973 war against Israel fueled the military officers' resentment toward him. According to Springborg, the undermining of the military "heroes" of the 1973 war was one the reasons for Sadat's assassination in 1981.[210] Mubarak's tactic of partnering with the military was based on both manipulation, as his predecessors had done, and remuneration

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[207] Robert Springborg, "To Be or Not to Be: The Egyptian Military Confronts Democracy and the Rule of Law," paper presented at National War College, Washington, DC (November 15–16, 2012).

[208] Daniel Kurtzer and Mary Svenstrup, "Egypt's Entrenched Military," The *National Interest* (August 22, 2012).

[209] Robert Springborg, "Democratic Control of the Egyptian Armed Forces: Wait Sitting Down," paper delivered to Royal Danish Defense College, Copenhagen, Denmark (April 25–26, 2013).

[210] Springborg, "To Be or Not to Be: The Egyptian Military Confronts Democracy and the Rule of Law."

to guarantee the loyalty of its officers. Mubarak appointed a more loyal and "politically dull" Field Marshal Husayn Tantawi, and he increased the military's economic interests.[211]

The foundation of deep state was finally molded under Mubarak's regime when military officers became involved into a system of corruption and presidential patronage.[212] As a payback for their loyalty, the regime granted some officers the opportunity to pursue civilian careers in high state positions upon their retirement from service. Most of those officers were appointed to the civilian bureaucracy, in which they used their government power to amass political and economic influence. Uncommitted and untrustworthy officers were not promoted above the rank of Major; only officers who were loyal to Mubarak's regime were able to make it to the rank of General.[213]

President Mubarak pursued this tactic of integrating senior officers for three main reasons.[214] First, it allowed him to contain the political challenge of military officers and the rising up of a powerful officer.[215] In 1989, President Mubarak replaced Field Marshal Abu Ghazala with Field Marshal Tantawi. Ghazala's popularity had grown high within the Egyptian Armed Forces (EAF), and he therefore challenged Mubarak's power, while Tantawi was more loyal to Mubarak's regime and a far less capable politician.[216] Second, Mubarak saw the growing number of Islamists within the armed forces as a threat to his regime and his life.[217] This suspicion was confirmed by an attempt on his life during a visit to Addis Ababa in 1995.[218] Henceforth, Mubarak relied on internal security services as a counterbalance to the military. Subsequently, security personnel grew to 1.4 million individuals, and the interior annual budget rose from $1.05 billion in 1990 to $3.7 billion

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[211] Ibid.

[212] Kurtzer, "Egypt's Entrenched Military."

[213] Yezid Sayigh, "Above the State: The Officer's Republic in Egypt," Carnegie Endowment International Peace (2012, August), 5.

[214] Ibid., 6.

[215] Ibid.

[216] Kurtzer, "Egypt's Entrenched Military."

[217] Sayigh, "Above the State: The Officer's Republic in Egypt," 6.

[218] Ibid.

in 2008.[219] Critical security positions were given to loyal military officers who reported directly to the president. Third, the cooption of senior military officers in Mubarak's regime accelerated after Egypt's economic liberalization experience in 1991.[220] Senior officers supported the regime and took advantage of the flexibility that Mubarak afforded to them to pursue their own economic interests. The IMF's conditions for Egypt to privatize state enterprises provided the opportunity for many senior officers who managed those enterprises to function as brokers, bidding on state owned assets and amassing wealth in their personal accounts.[221] All these incentives created by Mubarak compelled high ranking military officers to ally with other beneficiaries of Mubarak regime to preserve their interests.

The participation of senior military officers allowed the military to become deeply entrenched in the state apparatus and state economy. While Mubarak pacified senior officers with extra earnings in return for their political quiescence, he used them to maintain control of Egypt.[222] Sayigh estimated that by 2012, at least 2,000 local government posts were held by former officers.[223] Senior officers served as governors and mayors in most Egyptian provinces. Of the 27 governors in Egypt, President Mubarak's appointees were almost 70 percent senior military officers and 20 percent police officers.[224] In addition to their appointment in high profile government posts, former officers also occupied various positions throughout the civil service. They held critical positions in many universities and research centers, government hospitals, state radio and television, and sports stadiums.[225] Also, many of the retired senior officers held managerial or consultancy posts in various companies that had been privatized, such as power, water, sanitation, communication, and oil and gas.[226] The salary of a consultant in

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[219] Ibid., 7.

[220] Ibid.

[221] Ibid.

[222] Ibid., 13.

[223] Ibid., 14.

[224] Ibid.

[225] Ibid., 16.

[226] Ibid.

these posts ranged from $1,000 to $4,670 a month, in addition to monthly allowances and bonuses of $1,667.[227] The difference between officer pensions ($500 for a major general) and extra-income from these positions was wide.[228] It is clear that these well paid civilian jobs provided incentives for military officers to give their loyalty to the regime.

The military managed its own economy without parliament oversight. A portion of the income generated from the military economy was used as officers' allowances, military housing, and the rest for military operations and procurement not covered by the defense budget.[229] The military runs its economic empire in a similar way to civilian businesses, entering partnerships or joint ventures with local and foreign investors. The military controls around 150 holding companies and joint ventures, and many retirees are involved in hidden partnerships in these sorts of companies.[230]

Over the past forty years, the Egyptian military's professionalism was degraded, especially during Mubarak's rule. Soldiers lacked discipline and required skills and knowledge to respond to national threat. By 2011, Tantawi, the minister of defense for twenty years, and his associate members of the Supreme Council of the Armed Forces (SCAF) were old—their ages far beyond the official age of retirement. They resisted retirement during the transition because of the challenge democracy posed to the economic benefits that they accrued during the Mubarak era.[231] According to Yezid Sayigh, the loyalty of those officers to Mubarak allowed them to hold office for such a long time, rather than their professional merit.[232] This claim was shared by many U.S. officers who had relationships with their counterparts in Egypt through military assistance programs: "the Egyptian Armed forces are no longer capable of combat."[233]

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[227] Ibid., 19.

[228] Ibid.

[229] Ibid., 17.

[230] Ibid.

[231] Ibid., 9.

[232] Ibid.

[233] Ibid.

These are evidence of lack of professionalism within the Egyptian military rank and file because of its senior leaders' preoccupation with advancing their personal interest and involvement in domestic politics.

During the last two decades, it has become hard for individuals from the lower-middle-class to get into military colleges. Applications to military colleges were restricted to sons of college graduate parents who were rarely from lower-middle-class families. This requirement for entrance into the armed forces favored only the sons of officers.[234] Nonetheless, the internal recruitment from the enlisted to the officer rank was limited to 10 percent of the total recruits, and those recruited would not pass the rank of captain before the official retirement age.[235]

Before transferring power to civilians after the January revolution, the Egyptian military profited from this period to increase its power and involvement in politics. Days after the overthrow of Mubarak, the army imposed itself as the sole ruler to shape the transition to democracy. It created its own road map and drafted rules and laws that would safeguard its interests. The SCAF altered the military retirement law of 1975, which previously had not included further opportunity for retired senior officers to pursue civilian jobs within the state. The new law allowed senior officers to do so, and it introduced a 15% raise in the military personnel pensions.[236] During May 2011, Tantawi issued a decree limiting prosecution of officers accused of corruption and had engaged in illicit business partnership under Mubarak's regime to military courts.[237] Also, to protect the military's estates and various enterprises after the revolution, the military suspended Mubarak's policy of privatization, avoiding any competition from businessmen and maintaining control over what was left of state companies.[238] Further military influence on drafting of the 2012 constitution included article 195, which stipulated that the

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[234] Springborg, "Democratic Control of the Egyptian Armed Forces: Wait Sitting Down," 9.

[235] Sayigh, "Above the State: The Officer's Republic in Egypt," 21.

[236] Zainab Abul-Magd, "The Egyptian Republic of Retired Generals," *Foreign Policy*, May 8, 2012, accessed May 18, 2014, http://mideastafrica.foreignpolicy.com/posts/2012/05/08/the_egyptian_republic_of_retired_generals.

[237] Sayigh, "Above the State: The Officer's Republic in Egypt," 29.

[238] Abul-Magd, "The Egyptian Republic of Retired Generals."

minister of defense should be an active duty officer.[239] Even Latin American states, some of the most militarized, do not require in their constitutions that the minister of defense be an active duty officer.[240] While in Latin America, civilians dominate the National Security Council with a ratio of three civilians to one military, article 197 of Egypt's 2012 constitution allows active military officers to dominate the council.[241] Moreover, the military added military conscription for up to three years, in order to guarantee the flow of low labor costs to its enterprises.[242] Those are indications of how pervasive and powerful the Egyptian military had become.

After the January 25 revolution the image of the military became worse as strikes against the military and retired officers running state enterprises became more frequent. Thousands of workers in the petroleum sector protested about their work conditions and the militarization of the oil industry.[243] The pay inequality between the workers and the retired officers who ran these companies was exceptional. The military responded with force to these rioters, tried protestors in military courts, and sent many others to jail.[244] Workers at the Arab Organization for Industrialization (AOI), which is comprised of 12 companies headed by former Army Chief of Staff Lieutenant General Hamdi Wuhiba, complained about the military's administration of this group of factories. Workers reported, "It is a bunch of retired army generals who came to the AOI to get both a pension from the army and a salary from the AOI. The problem with AOI's bylaws is that they vest all powers to the lieutenant general, as though he was the word of God."[245] In their defense for managing state enterprises, military officers claim that they are better trained as managers, "the military produces the best managers," Wuhiba said.[246]

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[239] Springborg, "Democratic Control of the Egyptian Armed Forces: Wait Sitting Down," 4.

[240] Ibid.

[241] Ibid.

[242] Ibid.

[243] "Egypt: Call for a General Strike of Petrotrade Workers," Marxism, February 15, 2011, http://www.marxist.com/egypt-call-general-strike-workers-petrotrade.htm.

[244] Ibid.

[245] Abul-Magd, "The Egyptian Republic of Retired Generals."

[246] Ibid.

Observers expected the Egyptian military to present a great challenge to any incoming president, regardless of his political orientation, whether Islamist, liberal, or leftist. Diminishing the power of the military was a challenging task, as previous presidents have tried and failed. The more they tried, the more the generals fought back. During Morsi's rule, the deep state obstructed government policies and reforms and impeded public service delivery, undermining the performance and legitimacy of the democratically elected civilian authorities. Yezid supported this observation as he asserted, "Only after the officers' republic is completely extricated from the Egyptian state and dismantled can Egypt's second republic [is] born."[247] It is no surprise that the retired generals who ran and controlled the natural gas and oil companies, including multiple gas stations, planned the gas shortages and power blackouts during Morsi's presidency.

The alliance of the Egyptian military with the MB, rather than with secularists, was a thoughtful move to maintain the economic and political powers of the deep state. After the January revolution, security forces crumbled in 18 days, while the military maintained its status.[248] The latter needed a partner who could silence the streets, while presenting little threat to its economic and political interests. Between secularists and Islamists, the military sided with the MB because it shared a similar hierarchical structure that ensured responsiveness.[249] This condition appealed to top military to strike a deal with the MB's top leaders. By contrast, secularists were not a unitary group that acted cohesively, and they had lost a connection with and credibility of the Egyptian society long before. Moreover, secularists were expected to demand submission of the military under civilian control. According to Mona El-Ghobashy, the deal between the MB and the SCAF was based on power sharing among them. The SCAF would allow the MB to dominate the parliament and, in return, the SCAF would choose the incoming president

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[247] Sayigh, "Above the State: The Officer's Republic in Egypt," 26.

[248]Springborg, "To Be or Not to Be: The Egyptian Military Confronts Democracy and the Rule of Law."

[249] Mona el Ghobashy, "Egyptian Politics Upended," Middle East Research and Information Project (August 20, 2012), http://www.merip.org/mero/mero082012.

in order to keep the key state offices safe from unexpected changes.[250] The deal between the SCAF and the MB was broken when the MB decided to run in the presidential elections. As discussed in Chapter III, the MB's decision to run in the elections was a result of the SCAF's support for Ahmad al Shafiq as a candidate. This event could be interpreted as the beginning of the rift and mistrust between the military and the MB. Any move by the military was regarded by the MB as collaboration with the remnants of Mubarak's influence to control the MB's power. Whereas any attempt of reform by Morsi's government was regarded by its opponents as another step of the MB to control state institutions.

The security crisis in the Sinai provided an excuse for President Morsi to replace Tantawi with General Sisi who was then the head of military intelligence and had already established a relationship the MB.[251] Sisi, who was ranked 67 in seniority in the army, retired those above him, allowing himself to be the most senior officer.[252] With the departure of many senior military officers associated with corruption, the military gradually restored its reputation damaged by previous corrupt generals. The appointment of General Sisi as the head of the Ministry of Defense instead of Field Marshal Tantawi was supported by many army officers who agreed that Tantawi was inept, and that his decisions hampered the Army's reputation.[253] For many opponents of Morsi, this appointment was another strategic move by President Morsi to grab for more power and put the strongest institution under the MB's control. General Sisi was an Islamic sympathizer, and his intelligence background would have helped President Morsi to have access to information within the army, "El-Sisi has all the keys to all the doors," an Egyptian told Peter Hessler.[254]

With Sisi the head of the Ministry of Defense, the struggle between the military and the MB was not over. The MB and the Egyptian military entered a new phase of

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[250] El Ghobashy, "Egyptian Politics Upended."

[251] Ahmed Eleiba, "The Rise and Fall of the SCAF," *al Ahram Weekly*, December 19, 2012, http://weekly.ahram.org.eg/News/596/17/The-rise-and-fall-of-SCAF.aspx.

[252] Ibid.

[253] Peter Hessler, "Big Brothers," *The New Yorker*, January 14, 2013, http://www.newyorker.com/.

[254] Ibid.

struggle that resulted from changes in leadership, as many observers predicted, including Springborg and Okasha. In this phase, one of the issues that the MB had to face was to lift the ban on Islamists entering the military and security forces.[255] Such a demand from the MB was regarded by the SCAF as a way to infiltrate the military. Senior officers claimed that they did not discriminate against candidates who had ties with the Brotherhood; however, they blocked access to any who had an ideology that benefited a political group, rather than benefiting the nation.[256] Members of the MB had been denied access to the armed forces because they were accused of infiltrating the Army by establishing a secret unit of members of the MB.[257]

The second confrontation between Sisi and the MB developed when suspicions grew among Egyptians that the MB had a hand in recent national security crises, especially the Sinai crisis.[258] The Armed Forces Decree 203/2012 issued by General Sisi left a bitter feeling among the Brotherhood.[259] The decree prohibited ownership of property in Sinai within five kilometers from the Gaza border, leaving that land in possession of the military.[260] While the decree was proclaimed as a security measure to allow the army freedom to maneuver and curb arms trafficking, a conspiracy theory suggested that the MB was about to "sell out" the land and the people of Egypt.[261] It was suggested that the decree taken by Sisi was to halt the MB from selling the land to the Palestinians with the support of the Qataris.[262] Another conspiracy suggested was that Hamas and the MB were planning to enter a joint venture in the Sinai. Retired General

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[255] Springborg, "To Be or Not to Be: The Egyptian Military Confronts Democracy and the Rule of Law."

[256] Ahmed Eleiba, "The Brotherhood and the Army," al Ahram Online, December 29, 2012, http://english.ahram.org.eg/NewsContentPrint/1/0/61449/Egypt/0/The-Brotherhood-and-the-army.aspx

[257] Ibid.

[258] Ahmed Eleiba, "Material and Moral," *al-Ahram Weekly*, July 10, 2013, http://weekly.ahram.org.eg/News/3326/17/Material-and-moral.aspx.

[259] Amirah Ibrahim, "No Foreign Ownership in Sinai," *al-Ahram Weekly*, December 26, 2012, http://weekly.ahram.org.eg/News/703/17/No-foreign-ownership-in-Sinai.aspx.

[260] Ibid.

[261] Ibid.

[262] Amirah Ibrahim, "Porous Borders," *al Ahram Weekly,* January 9, 2013, http://weekly.ahram.org.eg/Print/949.aspx.

Mahmud Khalaf, a military consultant at the Nasser Military Academy said, "Joint ventures are being quietly established. They will pave the way for a free zone in Sinai with Hamas and Gaza dominating development projects in the peninsula." [263] Since the Sinai crisis, the Army started re-asserting itself, trying to have the upper hand on all national security issues. This claim was proven to be true when the Army opposed the nomination of Rifaat Muhammad Tantawi by the MB as the foreign minister, because of his opposition stance to the Egyptian-Israeli peace treaty.[264] Moreover, the initiative of President Morsi to improve the Egyptian-Iranian relationship after his invitation to the president of Iran, Mahmud Ahmadinejad, was resented by the army.[265] While this relationship was interpreted by the military as a step toward changing the Egyptian security policy, President Morsi believed that the Iranian was a critical player in negotiating peace in Syria.[266]

The disagreement between the military and President Morsi regarding the national security policies elevated the level of distrust between them. After restoring the military's reputation, Sisi became more open politically. On December 11, 2012, General Sisi called for a national dialogue between the Islamists and secularists after the conflict about drafting the constitution.[267] Sisi's initiative to intervene as a mediator was rejected by President Morsi who saw this initiative as interference by the army in domestic politics.[268] Also, Morsi regarded the army as subordinate to the president and not the opposite. Such a dismissal of Sisi's initiative by President Morsi undermined any chance of reconciliation as well as the credentials of the Minister of Defense.[269] The decision eliminated the chance for reconciliation among political actors; it turned Sisi against

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[263] Amirah Ibrahim, "At Loggerheads," *al-Ahram Weekly*, March 20, 2013, http://weekly.ahram.org.eg/Print/1944.aspx.

[264] Springborg, "To Be or Not to Be: The Egyptian Military Confronts Democracy and the Rule of Law."

[265] Ibid.

[266] Paul Salem, "Morsi Moves to Rebuild Egypt's Mideast Leadership Role," Al Monitor, October 5, 2012, http://carnegie-mec.org/2012/10/05/morsi-moves-to-rebuild-egypt-s-mideast-leadership-role.

[267] Springborg, "To Be or Not to Be: The Egyptian Military Confronts Democracy and the Rule of Law."

[268] Ibid.

[269] Ibid.

President Morsi who completely undermined the power of the Army. While it was necessary to submit the military to civilian control, President Morsi should have understood that he could not succeed without the support of the military. Proof of that was when all of Morsi's attempts to bring secularists to the table for negotiation failed. This embarrassment of the army was a signal to all of Morsi's opponents to gain the army's support and side with it, as the MB had done early in the revolution. It was only a matter of time until the army moved against President Morsi.[270]

The MB faced a challenging task to control the armed forces. Its economic and institutional resources outnumbered those of any other political party size.[271] Between civilian workers and conscripts, a third of the Egyptian labor force depended on the armed forces.[272] The influence of the military in Egyptian politics and the economy prevented political parties from forming a pact against the armed forces and placing it under civilian control. Instead, political parties, first the Islamists and then the secularists, sided with the army in their fight against each other. During the early transition, the army tailored the constitution in a way that guaranteed and safeguarded its economic and political interests. The dispute between President Morsi and General Sisi was mainly about national security, especially the security crisis on the Sinai and the distrust of the Brotherhood in the armed forces. The move of President Morsi against the military sent two conflicting messages. For those who were pro-Morsi, it was a necessary move to establish civilian control over the military, and it was the call of most Egyptians during the January revolution. On the contrary, the anti-Morsi camp interpreted the move as a step by the MB to control the armed forces to serve its political interest.

Failing to modernize is one of the factors that compelled the military not to tolerate democracy to take hold. Modernization means to integrate "the technical sophistication of forces, units, weapon systems, and equipment."[273] Such attempts to

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[270] Ibid.

[271] Springborg, "Democratic Control of the Egyptian Armed Forces: Wait Sitting Down," 1–2.

[272] Ibid., 2.

[273] Oxford Dictionary of the US Military, "Military Capability," accessed September 05, 2014, http://www.answers.com/topic/military-capability-military#ixzz3CUxI0qJf.

modernize the military by Mubarak and Sadat had failed, or it is more accurate to say the military was successful in opposing those attempts. As the years passed, officers became more accustomed to playing economic and political roles rather than professionalizing their soldiers and enhancing their equipment. "So the elephant continued to expand and grow flabby, grazing freely in state provided pastures."[274] On different occasions, the military demonstrated its lack to counter national threats and respond to crises. Of the many crises that show the lack of professionalism within the military ranks, one incident related to the response of the army to terrorism stands out. Army officers underestimated the threat of terrorist groups in Sinai—Operation Eagle was an evidence of the army's inability to counter terrorism. The failure of this operation led to the dismissal of Field Marshall Tantawi. For a while, the U.S. Office of Military Cooperation (OMC) in Cairo urged senior Egyptian officers to upgrade their equipment for counter-terrorism, but the latter ignored those suggestions and kept using U.S. aid for acquisition of highly sophisticated airplanes and their maintenance.[275]

A transition to democracy cannot be achieved without the support of internal security forces.[276] Unfortunately, like the military, the Ministry of Interior influenced the fate of the Egyptian transition to democracy under the MB's rule. The Ministry of Interior, which includes the intelligence and internal state security, elevated the chaos and political instability in Egypt, as the police failed to control people on the street. While some of the police force refused to intervene to stop aggressors, others were manipulated to stoke hatred among the Egyptians. During the transition to democracy, the state security proved that it was not willing to renounce its primary mission, shaping the political sphere as a continuation of Mubarak's era.[277] The security situation was bad enough for President Morsi to call on the army to intervene. Shortly after the revolution,

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[274] Springborg, "Democratic Control of the Egyptian Armed Forces: Wait Sitting Down," 1.

[275] Ibid., 11.

[276] Michael Kremer, "'Old Habits Die Hard': Police Reform in Egypt Beyond a 'Makeover,'" *FikraForum (Blog)*, November 16, 2011, http://fikraforum.org/?p=1717.

[277] Tewfic Aclimandos, "Healing without Amputating? Security Sector Reform in Egypt," Arab Reform Initiative (2012, September), 4. http://www.arab-reform.net/security-context-transitions.

police forces went on strikes, demanding a pay raise.[278] Then, in many cases, police refused to respond to emergency calls, claiming that their pay was not worth the risk. Those who stayed loyal to the old regime, acted as protestors against each other by using *baltaguis* (thugs) to infiltrate genuine protestors, turning peaceful protests to violent ones. Since the Mubarak regime, those *baltaguis* were paid by security forces to gain information and do dirty jobs for them.[279] As a response to the call of many Egyptians to reform the Ministry of Interior in the early days of the revolution, Habib el-Adly, Interior Minister from 1997-2011, was sentenced to 12 years in jail for corruption and murder charges.[280] His successor, Mansour al-Essawi, who was an element of Mubarak's regime remnants, did little to reform the Ministry of Interior.[281] The security institution was one of the failed institutions after the break of Mubarak's regime. President Morsi faced a big challenge to reform it and make it functional in a short period and during a critical time. Among the challenges was the need for funding to implement new techniques and improve training for police forces.[282] Reform would demand support from all political actors. Finally, reform required authority to dispose of all the corrupt officers in the security agencies.[283] Michael Kremer claimed that al-Adly had more than a thousand men; getting rid of them would deprive the Ministry of Interior of experienced staff, and no doubt allow further collapse of the institution.[284]

In defense of the MB, Mahmoud Hussein, Secretary General of the MB, claimed that the clash between Islamists and the anti-Morsi movement was planned. The police did not intervene in the fight—security forces allowed protestors to reach the wall of the palace on December 2012, intentionally to embarrass the president.[285] Many of the

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[278] Ibid.

[279] Ibid., 9.

[280] Kremer, "'Old Habits Die Hard': Police Reform in Egypt beyond a 'Makeover.'"

[281] Ibid.

[282] Aclimandos, "Healing without Amputating? Security Sector Reform in Egypt," 6.

[283] Ibid.

[284] Ibid.

[285] Springborg, "To Be or Not to Be: The Egyptian Military Confronts Democracy and the Rule of Law."

Brotherhood were attacked by armed men who were paid to do that, and most of the dead and injured were Morsi supporters. Moreover, those who had been detained by Morsi's supporters and handed to the police were soon after released.[286] After this incident, President Morsi became suspicious about the Minister of Interior's intent to undermine the MB government, and replaced him.[287] The replacement of the Minister of Defense and the Minister of Interior was a necessary move based on their mediocre performances. It was clear that the old regime and the deep state were out for revenge. On the other hand, the anti-Morsi camp regarded the replacements of ministers and governors as signals of exercising total control and domination over the state institutions.

In addition to the armed forces' unwillingness to foster a smooth transition to democracy, the judiciary used all of its power to impede the MB from success as well. The Supreme Constitutional Court (SCC), a remnant of the Mubarak regime, allied with the military. Jurists used their power to refute any parliamentary decision or election at any time based on previous laws.[288] The dissolution of the elected parliament on June 2012 was an indication of the SCC and the military working together, claiming to prevent the MB from overreaching for power.[289] In June 2012, the army disbanded the parliament, just days before handing power to President Morsi. The decision was made after the judiciary declared a flaw in the law that regulated the election of the People's Assembly. The timing of the decision and failure to oversee the electoral laws raised suspicions and undermined the SCC's credibility. Nathan Brown reported, "It was also highly damaging to the SCC's own stance of political neutrality and pulled the court into a political dispute…the court was considered in many quarters to be operating as a partisan institution."[290] A new president stripped of all power meant only two things, either he had to submit to a ruling army, or he was destined to fail.[291] President Morsi, in

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[286] "Point to Point," Al Ahram Weekly, February 01, 2013, http://weekly.ahram.org.eg/Print/795.aspx.

[287] Doaa El-Bey, "Policies, not Persons," *al Ahram Weekly*, January 9–15, 2013, http://weekly.ahram.org.eg/Print/927.aspx.

[288] Kurtzer, "Egypt's Entrenched Military."

[289] Ibid.

[290] Brown, "Egypt's Constitution Swing into Action."

[291] Ibid.

his first attempt to fight back, tried to reconvene the parliament. When the court rejected his demand, on November 2013, Morsi issued a decree to restore his presidential power.[292] President Morsi claimed that the decree was temporary until a new elected parliament was in place, but the anti-Morsi camp saw the decree as another move from the MB toward Islamic rule.[293] This was the critical move that compelled all unsatisfied politicians to rally their supporters and take them to the streets, demanding the end of President Morsi's rule. This situation would have been different if President Morsi had consulted and gained support from secularists before issuing his decree.

B. THE BUSINESS ELITE

Most of the business elite owed their political and economic status to Mubarak's regime. This class continued to exert its influence during the MB's regime. Its lack of support for the MB during the transition to democracy undermined the legitimacy of Morsi's government. This section of the thesis explores the critical role of the business elite in defending their economic and political interests, thereby leading to the overthrow of President Morsi. Most importantly, the thesis will analyze the reason behind the business elite's unwillingness to cooperate with the MB.

The January 25 Revolution was aimed at ending Mubarak's regime, including his crony capitalists. Most Egyptian entrepreneurs were able to maintain their influence, with the exception of a few who had been tried during the SCAF and Morsi rules. The MB followed the steps of the old regime, trying to create an alliance with the business elite. According to Stephan Roll, the MB ignored the demand by civil society to bring to justice the corrupt business tycoons; instead, it sought to integrate this group into its regime. [294] The MB pursued a similar economic strategy initiated by Mubarak during the *infitah* or liberalization plan. The economic crisis that Egypt had witnessed over the past

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[292] David D. Kirkpatrick, "Egypt's Government Shows Rift over Morsi Decree," *New York Times*, November 26, 2012, http://www.bostonglobe.com/news/world/2012/11/26/egypt-government-shows-rift-over-morsi-decree/ig8fRNgkfMhBY0zmG1xIGN/comments.html.

[293] Ibid.

[294] Stephan Roll, "Egypt's Business Elite after Mubarak a Powerful Player between Generals and Brotherhood," SWP Berlin (September 2013), 5. http://www.swp-berlin.org/en/publications/swp-research-papers/swp-research-paper-detail/article/egypts_business_elite_after_mubarak.html.

few years, and the business elite's political influence, compelled President Morsi to try siding with them, rather than opposing them. By 2008, 30 percent of the stock in the Egyptian Exchange (EGX) belonged to only eleven business families, and the private sector employed 73 percent of the work force in Egypt.[295] Regardless of the demand of Egyptians to investigate these business elites who had amassed their wealth through illicit methods and connections to Mubarak, the economic situation in Egypt did not allow any new government to clash with business entrepreneurs.

In addition to its economic influence, the business elite acquired political influence through President Mubarak's son, Gamal Mubarak. As the chairman of the National Democratic Party (NDP) and the successor of his father to preside over Egypt, Gamal integrated most of the wealthiest entrepreneurs into his political party, and in return they benefited from his economic policy.[296] While the military was not pacified by the growing power of the business elite, in reality, these two groups realized that their interests would be met only if they cooperated. Many generals became advisors and business partners with members of the business class.[297] For instance, businessman Shafiq Gabr, supplied the armed forces with civilian and military equipment; Moataaz al-Alifi, the head of the Kharafi Group and one of the most influential businessmen in Egyptian politics, entered into a joint venture with the armed forces.[298] The businessmen's political power and connection to the military and judiciary allowed them to escape court trials. In addition to fleeing the country after the revolution, the Illicit Gain Authority (IGA) considered only 29 of total 597 cases received for investigation.[299]

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[295] Ibid., 8.

[296] Ibid., 9.

[297] Ibid., 10.

[298] Ibid.

[299] "'One Year on, Egyptian Corruption Cases Still in Limbo': IGA head," *Ahram Online*, September 24, 2012, http://english.ahram.org.eg/NewsContent/3/12/53669/Business/Economy/One-year-on,-Egyptian-corruption-cases-still-in-li.aspx.

Moreover, many of the culpable business families paid financial compensation for their misappropriation of public funds and tax evasion, which was made possible after the SCAF's amendment of the investment law.[300]

Many Egyptian businessmen resented Morsi's regime, and did not want to ally with it, for two main reasons. First, they mistrusted the MB, and felt that sooner or later they would be arrested and tried. This became evident during Morsi's speech to crackdown on corrupted companies, "governmental watchdogs would investigate the alleged corruption."[301] On that same day, Morsi's comment affected the stock exchange which plummeted to one of its lowest levels of trade.[302] Second, businessmen had little confidence in the MB to govern, most of its leaders lacked experience in restoring the Egyptian economy.[303] The rejection of the MB and favoring of secularists by the business elites became clear during the presidential elections as they supported and funded Ahmed Shafiq, the last prime minister under Mubarak. The tight result of the second round in the presidential elections would have been different without support of the business elite, "a whole army of fearful businessmen behind him."[304] Support of the Egyptian secular party through the establishment of propaganda against Morsi's government and boycotting investments were major factors in changing the Egyptians' perception of the MB.

Much of the Egyptian media, such as satellite TV and newspapers were owned by businessmen who had close ties to Mubarak's regime. Included among these individuals are three of the wealthiest families in Egypt: the Sawiris, the Bahgats, and the al-Badawis.[305] Through their media, these families supported Mubarak through the first half of the revolution; then they switched sides when they believed that there was no chance

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[300] Roll, "Egypt's Business Elite," 11.

[301] "Morsi's Corruption Remarks Drive Egypt Bourse Down," *Ahram Online*, October 8, 2012, http://english.ahram.org.eg/NewsContent/3/12/55091/Business/Economy/Morsis-corruption-remarks-drive-Egypt-Bourse-down.aspx.

[302] Ibid.

[303] Ibid.

[304] Roll, "Egypt's Business Elite," 20.

[305] Ibid.

for Mubarak to stand against the mass protests. During the presidential election, the MB accused these non-government media sources of "one-sided" support for the presidential candidate Ahamad Shafiq. An illustration of this media malpractice was by ONTV satellite, owned by the Sawiris. Many observers raised questions during the second round of the presidential elections about its choice of talk hosts that seemed to be supporters of Shafiq.[306] After the election, these private media outlets became more critical of the MB. The Capital Broadcasting Center (CBC) was founded by al-Amin who was connected to old regime. Al-Amin hired reporters and media stars that were known for their opposition to the MB, such as Bassem Youssef. The MB's attempt at rapprochement with the independent media was unsuccessful as it failed to compete against satellite channels and independent newspapers. Yet, the MB attempted to control the state-owned media was confronted by sharp public criticism.[307]

In addition to a lack of media support by the business elite, the MB faced a problem of the business elite not stepping up to revitalize the Egyptian economy. Despite President Morsi's initiative to reconcile with the business elite by providing them reassurance, many of the business families chose to stay out of Egypt.[308] It was not until the ousting of President Morsi that business families returned home and started investing again in the Egyptian economy. The case of the Sawiris family is an illustration of the economic challenge that the MB faced during its transition. The travel ban lifted on the Sawiris family did not entice them to invest and support the economy.[309] The Sawiris started reinvesting in the Egyptian economy only after the fall of President Morsi. For example, the family bid for a share in the European Financial Group (EFG), Hermes, only after the military took over the MB. Financial analysts considered this deal one of the largest financial transactions that took place after the 2011 revolution, and it was a

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[306] Ibid., 21.

[307] "President Orders Editor's Release but Concerns Remain," Reporters Without Borders, August 24, 2012, accessed June 19, 2014, http://en.rsf.org/egypt-newspaper-editor-detained-muslim-23–08–2012,43268.html.

[308] "Egypt Tries to Lure Back Exiled Businessmen," Reuters, February 21, 2013, http://www.voanews.com/content/egypt-tries-to-lure-back-exiled-businessmen-reuters/1608271.html.

[309] Heba Saleh, "Naguib Sawiris' Bid for Stake in EFG Signals Revival of Egyptian Economy," Financial Times, June 10, 2014, http://www.ft.com/intl/cms/s/0/8d7483de-f0a7–11e3-b112–00144feabdc0.html#axzz357ExE5FH.

signal to other Egyptian businessmen to re-start investing, "This sends a message that there is confidence from a high-profile businessman who had previously exited the Egyptian market," an analyst said about the Sawiris' bid.[310]

C.   CONCLUSION

The military is not interested in democracy; democracy would mean the surrender of its political and economic interests. Egyptian generals are anticipated to challenge any transitional government regardless of its political orientation. Since President Nasser's time, the lesson learned is that the more the government tries to place the military under civilian control, the more the generals fight back. President Morsi's regime was no exception. Over the last six decades, the influence of the military has increased and it has been used for regime legitimacy. In addition to managing its own economy, senior officers have become deeply entrenched in the state apparatus and state economy. They have held high profile ministerial and local government posts, as well as managerial and consultancy posts in state and private companies.

Soon after the January 25 Revolution, the military allied with the MB as part of a strategic move to best guarantee its interests. On the one hand, the MB was well-structured and organized, while secular parties lacked cohesion, and had lost connection and credibility within the Egyptian society. This deal broke, however, soon after the two institutions lost trust in each other during the presidential elections. While the support of the military and business elite for Ahmad Shafiq was seen by the MB as a chance to reinstate the old regime, the MB's competition in the presidential election was interpreted by its opponents as a sign of overreaching for power. Moreover, before handing over power to President Morsi, the army created its own road map, and manipulated the constitution in order to safeguard its interests, as well as worked with the judiciary to strip power from the new president. During this transition, the role of the judicial branch, as an independent branch of government was questionable—many observers claimed that the judiciary operated as a partisan institution, favoring secular parties. President Morsi's initiative in taking control of the situation was publicly criticized, and it is considered the

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[310] Ibid.

turning point at which the Egyptian people returned to the streets, protesting against President Morsi for grabbing power. In this chaos, the security forces, business elite, and the military, which opposed the MB regime, pulled the strings that overthrew Morsi's government.

After the revolution, the Ministry of Interior intentionally failed to restore public order because of its leaders' loyalty to Mubarak regime. Police refused to intervene to restore order on the streets. Instead, they used their old methods to spread hatred among protestors and turn peaceful demonstrations to violent ones. Likewise, the business elite mistrusted the MB. Their fear of trial and lack of confidence in the MB to save the economy compelled them to undermine Morsi's government. They funded the anti-Morsi media and boycotted investments in the Egyptian economy during Morsi's time.

The economic and political crises, in addition to national security degradation during this transition period, provided the military the opportunity to take revenge, restore its reputation, and emerge as the savior of Egypt. None of the attempts of the MB and President Morsi toward reform were regarded as recognition of the public demand to contain corruption, abolish the brutality of security forces, and submit the military to civilian control. Instead, President Morsi's attempts to deal with these public demands were seen as an attempt to overreach for power. This approach to these issues does not imply that the MB tried its best to include various parties in this process. This argument, rather, is more about the lack of political cooperation that inhibited Morsi's government to succeed in his reform initiatives. Reform of the military and the Ministry of Interior was deemed impossible in a short time, as these institutions have been deeply integrated into the corrupt regime. Changing top positions is not enough for reform. The Mubarak system had controlled these institutions from top down, and it was impossible to achieve results without a political integration of all the major actors.

VI. CONCLUSION

This conclusion will synthesize the findings of the four hypotheses presented in the thesis in order to identify the critical factor that led to the failure of Egypt's democratic transition. Then it will identify a lesson from Egypt's experience under transition during the Muslim Brotherhood's governance. Additionally, it will highlight the implications of this experience as could be applied by policy makers in the region.

A. FINDINGS

The three hypotheses discussed in Chapters I, II, and IV indicate that Egypt's chance in transition to democracy was slim, but not impossible with the formation of a political pact. The elite's lack of commitment to change was a crucial factor in Egypt's failed democratic transition. International influence and internal circumstances made it harder for the elites to decide on whether to compromise. The division and distrust between secularists and Islamists allowed for third parties to intervene in the path of democracy and contributed to more political chaos.

The MB's challenge after the ousting of Mubarak was to transform a competing organization to a ruling political power. This became especially difficult as it faced a political landscape and institutions that were deeply involved with the previous authoritarian regime. All political actors behaved undemocratically. Due to the lack of confidence and distrust among them, they failed to stand up to the entrenched authoritarian regime. The military controlled the process of transition and established rules which hindered the chance of cooperation among the Egyptian elites.

There is enough evidence that Egyptian political actors were caught by surprise in the revolution and missed an opportunity to transition to democracy by failing to design a plan for transition. The MB capitalized on its mobilizing structures and its appeal to the population to amass all the power. Its early alliance with the military, rather than an alliance with secularists, left the latter with no guarantees or benefit from this transition. As they were pushed away from any key decisions in this phase, secularists believed that the MB had "hijacked" the revolution and that Egypt was on its way toward an

Islamocracy state. This false start to the transition provided little room for the elites to engage in give-and-take. Later in the transition, while the MB tried to sympathize with liberal and secular groups, the latter decided to cut short the process of negotiation and boycott the constitutional assembly. This was a shortfall on the part of secularists, as they preferred to protest and use the courts and military to solve their disagreement with the MB, rather than keeping negotiations open and articulating their vision about the constitution. Secularists and liberals acted in a more threatening than negotiating manner as they allied with the military, gained support of the business elite, and they were joined in their ranks by the Salafists.

Early in the transition, the MB feared the deep state and underestimated secular groups, which explains its initial alliance with the military. Involving seculars in planning the transition such as the timing and sequence of elections, sharing power, and crafting the constitution would have eliminated the possibility of conflict later on in the transition. This was the first shortfall of the MB. The alliance of the MB and the military is understandable considering the latter's history and its entrenchment in the state institution as well as the lack of political experience and competence of non-Islamist groups. Alliance and sharing power with the military, without the alliance with secularists, led to further challenges that the MB faced during its transition. The disagreement between the military and the MB regarding the presidential election triggered the split between these two organizations. The military's support of Omar Suleiman, former Vice President during Mubarak's rule, was considered by the MB as a sign of the return of Mubarak's regime, which compelled the MB to change its decision and participate in the presidential election.

From this point until the deposition of president Morsi, Islamists found themselves without any alliance. Meanwhile, secularists acknowledged their own interests in allying with the military. This alliance was the biggest challenge for the MB and Morsi's government as it attempted to draft the constitution, establish economic and political reforms, and restore security and order in Egypt.

Economic reform was difficult because of the military's involvement in the economy, the high rate of unemployment, the diminishing numbers of the middle class,

lack of security, outflow of capital, and withdrawal of FDI as a result of widespread corruption. It was in the interest of the military and business elites to maintain the economic policy that they enjoyed under Mubarak's regime. Along with its attempt to implement economic reforms, the MB faced a challenge of stirring social unrest and public instability. Morsi's government hesitated to make such economic reforms, especially when the government and private and political parties were divided. Their lack of compromise only pushed dissatisfied Egyptians back to the street to protest and further undermine the legitimacy of Morsi's government. A rift between Islamists and non-Islamists deepened during the phase of crafting the constitution. President Morsi's response to this lack of cooperation from secularists in the absence of a constitution was to rule by decree in order to restore stability during the transition period.

After failing to form an alliance with secularists, the MB found itself single-handedly controlling the military, police, and Mubarak's remnants. Given the MB's inability to reform these groups, the deep state and business elite teamed up against the MB and blocked the transition to democracy. The military, police, media, judges, and business class sided with secularists as they realized that their interests did not coincide with those of the Islamists'. The military stripped President Morsi of power by disbanding the parliament after the Supreme Constitutional Court claimed the invalidity of the parliamentary election. The police refused to back the MB in its fight against social upheaval to restore order and peace in Egypt. Business leaders helped the remnants of Mubarak's regime to bring down President Morsi as they took their money out of the country, and used their media to portray the MB negatively among the Egyptian people and drove the Tamorrod movement.

President Morsi's attempt to submit the military to civilian control was interpreted by MB's opponents as an attempt to control the country's most influential institution and to infiltrate the military. The military's unwillingness to give up its political and economic interests and its inability to modernize compelled its senior officers to oppose democracy. Similarly, the MB without the support of the political elites, failed to reform the Ministry of Interior. Replacing the top leaders in the Ministry of Interior was not enough to get rid of corruption and undermine the influence of the old regime. Although

the Ministry of the Interior was over-staffed with corrupt officers, their displacement would have deprived it from inexperienced staff.

The economic and political crises, in addition to national security degradation, during the transition period, provided the military with an opportunity to recover for revenge, restore its reputation, and emerge as the savior of Egypt. Moreover, the division among political actors also contributed to sabotage by the GCC States and limited support from the international community which also degraded the chance of Egypt to succeed in its transition to democracy under the MB. On one hand, the Arab Spring and the success of Islamists in electoral polls was regarded as a threat by the GCC States to the survivability of their regimes. The Morsi government's new foreign policy, and the Salafis' new ideology to govern, gave more reasons to Saudis, Kuwaitis, and Emiratis not to support the democratic transition in Egypt. Other than rhetoric, the U.S. did not use all of its leverage to influence the Egyptian military and Saudis to support the transition. Rather, it maintained a relationship based on security in the region, and turned a blind eye to the actions of the Gulf States and the Egyptian military.

All of this undemocratic behavior from all political actors, including the MB, was the result of a false start of the democratic transition. To safeguard its economic and political interests, the military took the initiative to set the rules for the transition and implement a road map that triggered the early friction among the political actors and inhibited them from forming a political pact against the entrenched authoritarian regime. The distrust among the political actors allowed the military to emerge as the strongest participant during this transition and the favorite entity to ally with in order to defeat other opponents. The alliance of the MB and the military in the early transition, and later on secularists allied with the military to depose President Morsi contributed to the failure of the transition to democracy.

The political actors failed to understand the importance of a political pact. Their success needed to be based on their ability to compromise and share power; otherwise, their division would provide a chance for the old regime to reemerge. The Egyptian experience reveals that the incompetence and inexperience of the political actors in this transition led to a failure to stand united against Mubarak's entrenched regime. Most of

the evidence supports that secularists, Islamists, and the military failed to form a pact during the period of extraction from an authoritarian regime. The only early deal struck was between the military and the MB, leaving the rest of the actors out of the picture. The deal, as discussed in Chapter II, was about sharing power; however, a lack of details and specifics about the conditions concerning who the president should be spurred a split between the MB and the military. Additionally, the road map for the transition was established by the military which wanted to guarantee its political and economic interests. Discarding the rest of the political actors from this process resulted in further issues along the transition, such as the sequence and the timing of the elections and the requirements and conditions for the elected personnel drafting the constitution. In the absence of negotiations and compromise, Egyptian political actors were divided and everything was left to competition, which favored the Islamists who are better organized to compete and win elections.

Even though Egypt was not ripe for democracy because of the absence of a middle class, poverty, and an economic crisis, the unification of political actors would have eased these hardships and convinced the Egyptian population of the need for their cooperation and sacrifice to save the country from economic and social collapse. The IMF loan was necessary to save the economy, but the conditions of this loan, from fiscal reforms to eliminating subsidies on basic necessities, would have posed the risk of encouraging an unsatisfied population to return to the streets to protest. Only a commitment by the political elites to convince Egyptians about the importance of the economic reforms would have eased tensions of Egyptians and guaranteed economic recovery.

The military intervention in Egyptian politics could have been avoided with a political pact among all political actors. Morsi's government succeeded in sending the military back to the barracks and retiring many senior officers. The intervention of the military would not have happened without the continuous protests on the streets motivated by political division. Without these protests the police, business elites, and the old regime would not have had a chance to come back for revenge against the MB.

Moreover, the effects of international influence could have been avoided if the political actors had resolved their issues during the transition. . The political actors' commitment in Egypt did not motivate international actors to help the country succeed at its transition by providing financial support and promoting foreign investments. While the Middle East has lacked experience in democratic transitions that could have been imported to Egypt, and the GCC states posed threats to democracy, these two factors inhibiting democracy in the region could have been overcome by the Egyptians' commitment to democracy. Political polarization prevented the international community from providing full support to Egypt. The U.S. could have used military leverage to convince the Egyptian military to submit to civilian control, as well as help Egypt receive financial support from different countries.

B. LESSON LEARNED AND RECOMMENDATIONS

For Middle Eastern countries interested in a transition from authoritarian regimes, Egypt's transition provides an important lesson on what not to do in order to avoid an uncertain transition. The Egyptian transition is an illustration of the importance of a political pact to allow the country to extract itself from a robust authoritarian regime that has dominated the political landscape for decades. Early in a transition, the key success to democracy depends on the commitment of the political elite to stand united against any intruders during this phase. They have to reach a compromise and settle their differences to establish a road map and the transition's rules. All actors involved in a transition should be provided with a minimum of guarantee in return for their alliance. During this time of transition, political elites should determine the rules of the game, the decisions that should be reached through consensus, and the decisions that should be left to competition. Among the issues that the political elites faced early in the transition in Egypt was the timing and the sequence of the elections and the crafting of the constitution. The Egyptian political actors did not have a say on this matter, because the military seized control of the transition process and made all the rules. The Arab Spring experience suggests that Islamists are the favorite during transition to dominate elections. When this occurs, Islamists should cooperate with secularists and avoid rushed elections, providing them with more time to organize and compete. Meanwhile, political actors

should compromise on drafting a constitution that will support the emergence of democratic institutions and allow for a division of power and government offices that are a representative voice of the citizens. Doing this will allow all participants to buy into democracy and avoid any future spoilers during the transition.

Despite the fact that the Middle East countries lack successful democratic experience in the region to emulate, they can overcome this obstacle though the help of international democratic advocates. Political actors should seek the help of international actors who are willing to share their expertise in democratic transitions and how to avoid conflicting interests. The reluctance of Middle Eastern political actors to allow international interference during a democratic transition may diminish their chances of success. In this case, the expertise of international actors should be limited to mediating among the political actors and should emphasize the importance of their alliance and cooperation to establish the transition rules and road map. The U.S. and other democratic countries have to be sensitive to public interpretation of forced democracy against public will. Democracy advocates can use economic and financial incentives to encourage a democratic transition. Also, they can use their military and economic leverage to neutralize or limit the influence of states that seek to obstruct the development of democracy in the region. External actors are important for promoting peaceful democratic change. However, without a compromise and acknowledgment of the importance of international community by all political actors, the international community will be reluctant to intervene and authoritarian politics will endure in the Middle East.

In military-dominated states like Egypt and Algeria, it is important to diminish the military's political influence in order to avoid the return of another authoritarian regime during the transition. The submission of the military to civilian control should be achieved gradually. In military-dominated states the military still plays the role of the guardian of the state, and its involvement in the transition phase is crucial for the stability of the country. Allowing the military to maintain its role as the guardian of the state should not undermine the transition to democracy. Political elites may need to provide some guarantee to the military of no prosecution for things it has done during the previous regime. In a country where the military has a stake in the economy, political

actors should assure that the military will maintain some of its economic interests; otherwise the military may fear democracy and that successful transition will lead to a total loss of its political and economic interests, as well as its legitimate role of protector of the state. This task of civilian military control can be achieved only through negotiation and the forming of a political pact against authoritarian actors.

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